

**WISCONSIN STATUTES
AND
ADMINISTRATIVE CODE

RELATING TO THE PRACTICE OF
AUCTIONEERS & AUCTION COMPANIES**

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State of Wisconsin
Department of Regulation and Licensing
Auctioneer Board
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TABLE OF CONTENTS

	Introduction	Page iii
<u>Excerpts from the Wisconsin Statutes</u>		
Chapter 15	Structure of the Executive Branch	1
Chapter 29	Wild Animals and Plants	11
Chapter 77	Sales and Use Taxes; Forest Croplands	12
Chapter 95	Animal Health; Livestock Markets; Livestock Dealers	17
Chapter 100	Marketing; Trade Practices	19
Chapter 125	Alcohol Beverages; License & Permit Exceptions	22
Chapter 134	Miscellaneous Trade Regulations; Pawnbrokers & Secondhand Article & Jewelry Dealers	23
Chapter 218	Auto Dealers, Finance Companies; Motor Vehicle Auction Dealers	26
Chapter 402	General Obligation & Construction of Contract; Sale by Auction	27
Chapter 406	Uniform Commercial Code – Bulk Transfers	28
Chapter 440	Department of Regulation & Licensing	30
Chapter 480	Auctioneer Board	38
<u>Excerpts from the Rules of the Department of Regulation and Licensing</u>		
RL 1	Procedures to review denial of an application	41
RL 2	Procedures for pleading and hearings	45
RL 3	Administrative injunctions	49
RL 4	Department application procedures and application fee policies	52
RL 6	Summary suspensions	54
RL 7	Impaired professionals procedure	56
RL 8	Administrative warnings	61
RL 9	Denial of renewal application because applicant is liable for delinquent taxes	64
<u>Excerpts from the Rules of the Department of Regulation and Licensing for Auctioneers and Auction Companies</u>		
RL 120	Authority, Intent and Definitions	65
RL 121	Application	66
RL 122	Examination	68
RL 123	Advertising	69
RL 124	Written Contracts	70
RL 125	Maintenance of Records	71
RL 126	Conduct	73
RL 127	Sale of Real Estate at Auction	74
RL 128	Educational Program	75

Excerpts from the Rules of the
Department of Agriculture, Trade and Consumer Protection

ATCP 11	Animal Movement.	77
---------	------------------	----

Excerpts from the Rules of the Department of Revenue

TAX 11	Sales and Use Tax	80
--------	-------------------	----

Excerpts from the Rules of the Department of Transportation

TRANS 138	Retail Auctioneers; limited exemption	81
-----------	---------------------------------------	----

Excerpt from the “Right Way Guide” for dealers. WisDOT Dealer Section, 2002

	Motor Vehicle Wholesale Auction Dealer	86
--	--	----

Excerpts from the US Dept of Treasury - Bureau of Alcohol, Tobacco and Firearms

Title 18, Ch 44	Firearms; Sections 921,923,924	90
Title 27 PT 178	Commerce in Firearms and Ammunition	94

Legal Opinions from the Department of Regulation and Licensing

Memo 5/6/94	Licensing of Auctions by Municipalities	95
1996	Livestock Auctions	98
	Insurance and Bonding	99
	Other Agencies Directory	100
	Index	101

INTRODUCTION

This booklet contains the "License Law" relating to the regulation of auctioneers and auction companies in Wisconsin. It contains selected sections from the Wisconsin Statutes and all the administrative rules of the Department of Regulation and Licensing and the Auctioneer Board. It also includes selected statutes and rules, as well as the address and telephone number of other state agencies which regulate certain types of auctions. In summary, this booklet contains all of the material which is covered in the auctioneer examination.

The regulation of auctioneers and auction companies was published as 1993 Wisconsin Act 102 on December 27, 1993, and the Act became effective on December 28, 1993. However, the new statewide regulation of auctioneers and auction companies was delayed until March 1, 1995. A new 7-member Auctioneer Board was appointed and the Board began meeting as an official body after the Wisconsin Senate confirmed the Governor's appointment of the members.

The Auctioneer Board and the Department of Regulation and Licensing share authority and responsibility for regulating auctioneers and auction companies. The Auctioneer Board is composed of 4 members of the profession and three public members. The Board has authority to close investigative files and take disciplinary action against registrants who are unethical or incompetent. It is advisory to the Department in other regulatory matters.

The Department of Regulation and Licensing is an umbrella agency which directly regulates some occupations and professions and which provides administrative services to various professional boards. Within the Department, the Bureau of Direct Licensing and Real Estate, provides administrative services to the Auctioneer Board.

Questions about the business of the Board may be directed to the Department of Regulation and Licensing, Bureau of Direct Licensing and Real Estate, 1400 E. Washington Avenue, P.O. Box 8935, Madison, WI 53708-8935.

The development of the law in this area is ongoing. Therefore, these rules and statutes may be revised subsequent to the printing of this booklet. Most local libraries maintain current sets of the Wisconsin Statutes. These documents as well as other state publications are available from the Department of Administration, Document Sales Division, PO Box 7840, Madison, WI 53707. Telephone number: (608) 266-3358.

All Wisconsin Statutes and Administrative Codes are available on the Internet at the following addresses:

Statutes: <http://www.legis.state.wi.us/rsb/statutes.html>

Rules: <http://w.legis.state.wi.us/rsb/code/codtoc.html>

CHAPTER 15

STRUCTURE OF THE EXECUTIVE BRANCH

SUBCHAPTER I

GENERAL PROVISIONS

15.001 Declaration of policy.
 15.01 Definitions.
 15.02 Offices, departments and independent agencies.
 15.03 Attachment for limited purposes.
 15.04 Heads of departments and independent agencies; powers and duties.
 15.05 Secretaries.

15.06 Commissions and commissioners.
 15.07 Boards.
 15.08 Examining boards and councils.
 15.085 Affiliated credentialing boards.
 15.09 Councils.

SUBCHAPTER II

DEPARTMENTS

15.40 Department of regulation and licensing; creation.
 15.405 Same; attached boards and examining boards.

15.406 Same; attached affiliated credentialing boards.
 15.407 Same; councils.

SUBCHAPTER I

GENERAL PROVISIONS

15.001 Declaration of policy. (1) **THREE BRANCHES OF GOVERNMENT.** The “republican form of government” guaranteed by the U.S. constitution contemplates the separation of powers within state government among the legislative, the executive and the judicial branches of the government. The legislative branch has the broad objective of determining policies and programs and review of program performance for programs previously authorized, the executive branch carries out the programs and policies and the judicial branch has the responsibility for adjudicating any conflicts which might arise from the interpretation or application of the laws. It is a traditional concept of American government that the 3 branches are to function separately, without intermingling of authority, except as specifically provided by law.

(2) **GOALS OF EXECUTIVE BRANCH ORGANIZATION.** (a) As the chief administrative officer of the state, the governor should be provided with the administrative facilities and the authority to carry out the functions of the governor’s office efficiently and effectively within the policy limits established by the legislature.

(b) The administrative agencies which comprise the executive branch should be consolidated into a reasonable number of departments and independent agencies consistent with executive capacity to administer effectively at all levels.

(c) The integration of the agencies in the executive branch should be on a functional basis, so that programs can be coordinated.

(d) Each agency in the executive branch should be assigned a name commensurate with the scope of its program responsibilities, and should be integrated into one of the departments or independent agencies of the executive branch as closely as the conflicting goals of administrative integration and responsiveness to the legislature will permit.

(3) **GOALS OF CONTINUING REORGANIZATION.** Structural reorganization should be a continuing process through careful executive and legislative appraisal of the placement of proposed new programs and the coordination of existing programs in response to changing emphasis or public needs, and should be consistent with the following goals:

(a) The organization of state government should assure its responsiveness to popular control. It is the goal of reorganization to improve legislative policy-making capability and to improve the administrative capability of the executive to carry out these policies.

(b) The organization of state government should facilitate communication between citizens and government. It is the goal of reorganization through coordination of related programs in function-oriented departments to improve public understanding of government programs and policies and to improve the relationships between citizens and administrative agencies.

(c) The organization of state government shall assure efficient and effective administration of the policies established by the legislature. It is the goal of reorganization to promote efficiency by improving the management and coordination of state services and by eliminating overlapping activities.

History: 1991 a. 316.

15.01 Definitions. In this chapter: (1g) “Affiliated credentialing board” means a part-time body that meets all of the following conditions:

(a) Is attached to an examining board to regulate a profession that does not practice independently of the profession regulated by the examining board or that practices in collaboration with the profession regulated by the examining board.

(b) With the advice of the examining board to which it is attached, sets standards of professional competence and conduct for the profession under the affiliated credentialing board’s supervision, reviews the qualifications of prospective new practitioners, grants credentials, takes disciplinary action against credential holders and performs other functions assigned to it by law.

(Ir) “Board” means a part-time body functioning as the policy-making unit for a department or independent agency or a part-time body with policy-making or quasi-judicial powers.

(2) “Commission” means a 3-member governing body in charge of a department or independent agency or of a division or other subunit within a department, except for the Wisconsin waterways commission which shall consist of 5 members, the parole commission which shall consist of 8 members, and the Fox River management commission which shall consist of 7 members. A Wisconsin group created for participation in a continuing interstate body, or the interstate body itself, shall be known as a “commission”, but is not a commission for purposes of s. 15.06. The parole commission created under s. 15.145 (1) shall be known as a “commission”, but is not a commission for purposes of s. 15.06. The sentencing commission created under s. 15.105 (27) shall be known as a “commission” but is not a commission for purposes of s. 15.06 (1) to (4m), (7), and (9).

(3) “Committee” means a part-time body appointed to study a specific problem and to recommend a solution or policy alternative with respect to that problem, and intended to terminate on the completion of its assignment. Because of their temporary nature, committees shall be created by session law rather than by statute.

(4) “Council” means a part-time body appointed to function on a continuing basis for the study, and recommendation of solutions and policy alternatives, of the problems arising in a specified functional area of state government, except the Wisconsin land council has the powers specified in s. 16.965 (3) and (5) and the powers granted to agencies under ch. 227, the Milwaukee River revitalization council has the powers and duties specified in s. 23.18, the council on physical disabilities has the powers and duties specified in s. 46.29 (1) and (2), and the state council on alcohol and other drug abuse has the powers and duties specified in s. 14.24.

(5) “Department” means the principal administrative agency within the executive branch of Wisconsin state government, but does not include the independent agencies under subch. III.

(6) “Division,” “bureau,” “section” and “unit” means the subunits of a department or an independent agency, whether specifically created by law or created by the head of the department or the independent agency for the more economic and efficient administration and operation of the programs assigned to the department or independent agency. The office of justice assistance in the department of administration and the office of credit unions in the

department of financial institutions have the meaning of “division” under this subsection. The office of the long-term care ombudsman under the board on aging and long-term care and the office of educational accountability in the department of public instruction have the meaning of “bureau” under this subsection.

(7) “Examining board” means a part-time body which sets standards of professional competence and conduct for the profession under its supervision, prepares, conducts and grades the examinations of prospective new practitioners, grants licenses, investigates complaints of alleged unprofessional conduct and performs other functions assigned to it by law. “Examining board” includes the board of nursing.

(8) “Head”, in relation to a department, means the constitutional officer, commission, secretary or board in charge of the department. “Head”, in relation to an independent agency, means the commission, commissioner or board in charge of the independent agency.

(9) “Independent agency” means an administrative agency within the executive branch created under subch. III.

History: 1977 c. 29, 274; 1979 c. 34; 1983 a. 27, 189, 371, 410, 538; 1985 a. 29, 120, 180; 1987 s. 27, 342, 399; 1989 a. 31, 107, 202; 1991 a. 39, 269, 315; 1993 a. 16, 107, 210, 215; 1995 a. 27 ss. 74 and 9145 (1); 1995 a. 442, 462; 1997 a. 227, 237; 2001 a. 16, 105, 109.

15.02 Offices, departments and independent agencies. The constitutional offices, administrative departments and independent agencies which comprise the executive branch of Wisconsin state government are structured as follows:

(1) **SEPARATE CONSTITUTIONAL OFFICES.** The governor, lieutenant governor, secretary of state and state treasurer each head a staff to be termed the “office” of the respective constitutional officer.

(2) **PRINCIPAL ADMINISTRATIVE UNITS.** The principal administrative unit of the executive branch is a “department” or an “independent agency”. Each such unit shall bear a title beginning with the words “State of Wisconsin” and continuing with “department of...” or with the name of the independent agency. A department may be headed by a constitutional officer, a secretary, a commission or a board. An independent agency may be headed by a commission, a commissioner or a board.

(3) **INTERNAL STRUCTURE.** (a) The secretary of each department may, subject to sub.(4), establish the internal structure within the office of secretary so as to best suit the purposes of his or her department. No secretary may authorize the designation of “assistant secretary” as the official position title of any employee of his or her department.

(b) For field operations, departments may establish district or area offices which may cut across divisional lines of responsibility.

(c) For their internal structure, all departments shall adhere to the following standard terms, and independent agencies are encouraged to review their internal structure and to adhere as much as possible to the following standard terms:

1. The principal subunit of the department is the “division”. Each division shall be headed by an “administrator”. The office of justice assistance in the department of administration and the office of credit unions in the department of financial institutions have the meaning of “division” and the executive staff director of the office of justice assistance in the department of administration and the director of credit unions have the meaning of “administrator” under this subdivision.

2. The principal subunit of the division is the “bureau”. Each bureau shall be headed by a “director”. The office of the long-term care ombudsman under the board on aging and long-term care and the office of educational accountability in the department of public instruction have the meaning of “bureau” under this subdivision.

2m. Notwithstanding subds. 1. and 2., the principal subunit of the department of tourism is the “bureau”, which shall be headed by a “director”.

3. If further subdivision is necessary, bureaus may be divided into subunits which shall be known as “sections” and which shall be headed by “chiefs” and sections may be divided into subunits which shall be known as “units” and which shall be headed by “supervisors”.

(4) **INTERNAL ORGANIZATION AND ALLOCATION OF FUNCTIONS.** The head of each department or independent agency shall, subject to the approval of the governor, establish the internal organization of the department or independent agency and allocate and reallocate duties and functions not assigned by law to an officer or any subunit of the

department or independent agency to promote economic and efficient administration and operation of the department or independent agency. The head may delegate and redelegate to any officer or employee of the department or independent agency any function vested by law in the head. The governor may delegate the authority to approve selected organizational changes to the head of any department or independent agency.

History: 1971 c. 261; 1973 c. 12; 1975 c. 39; 1977 c. 29; 1979 c. 221; 1987 a. 27, 399; 1993 a. 16, 184, 215, 491; 1995 a. 27 ss. 73, 76, 76c and 9145 (1); 1997 a. 27; Limits of internal departmental reorganization discussed. 61 Atty. Gen. 306.

15.03 Attachment for limited purposes. Any division, office, commission, council or board attached under this section to a department or independent agency or a specified division thereof shall be a distinct unit of that department, independent agency or specified division. Any division, office, commission, council or board so attached shall exercise its powers, duties and functions prescribed by law, including rule making, licensing and regulation, and operational planning within the area of program responsibility of the division, office, commission, council or board, independently of the head of the department or independent agency, but budgeting, program coordination and related management functions shall be performed under the direction and supervision of the head of the department or independent agency, except that with respect to the office of the commissioner of railroads, all personnel and biennial budget requests by the office of the commissioner of railroads shall be provided to the department of transportation as required under s. 189.02 (7) and shall be processed and properly forwarded by the public service commission without change except as requested and concurred in by the office of the commissioner of railroads.

History: 1981 c. 347; 1983 a. 27; 1993 a. 123; 1999 a. 9.

15.04 Heads of departments and independent agencies; powers and duties. (1) **DUTIES.** Each head of a department or independent agency shall:

(a) **Supervision.** Except as provided in s. 15.03, plan, direct, coordinate and execute the functions vested in the department or independent agency.

(b) **Budget.** Biennially compile a comprehensive program budget which reflects all fiscal matters related to the operation of the department or independent agency and each program, subprogram and activity therein.

(c) **Advisory bodies.** In addition to any councils specifically created by law, create and appoint such councils or committees as the operation of the department or independent agency requires. Members of councils and committees created under this general authority shall serve without compensation, but may be reimbursed for their actual and necessary expenses incurred in the performance of their duties and, if such reimbursement is made, such reimbursement in the case of an officer or employee of this state who represents an agency as a member of such a council or committee shall be paid by the agency which pays the officer's or employee's salary.

(d) **Biennial report.** On or before October 15 of each odd-numbered year, submit to the governor and the chief clerk of each house of the legislature, for distribution to the legislature under s. 13.172 (2), a report on the performance and operations of the department or independent agency during the preceding biennium, and projecting the goals and objectives of the department or independent agency as developed for the program budget report. The secretary of administration may prescribe the format of the report and may require such other information deemed appropriate. Each department or independent agency shall provide a copy of its biennial report to legislators upon request. Any department or independent agency may issue such additional reports on its findings and recommendations as its operations require. A department or independent agency may, on or before October 15, submit an annual report prepared by it, in place of the biennial report required under this paragraph, if the submission of the annual reports is approved by the secretary of administration.

(e) **Seal.** Have authority to adopt a seal for the department or independent agency.

(f) **Bonds.** Have authority to require that any officer or employee of the department or independent agency give an official bond under ch.

19, if the secretary of administration agrees that the position held by such officer or employee requires bonding.

(g) Discrimination review. In order to determine whether there is any arbitrary discrimination on the basis of race, religion, national origin, sex, marital status or sexual orientation as defined in s. 11 1.32 (13m), examine and assess the statutes under which the head has powers or regulatory responsibilities, the procedures by which those statutes are administered and the rules promulgated under those statutes. If the department or agency head finds any such discrimination, he or she shall take remedial action, including making recommendations to the appropriate executive, legislative or administrative authority.

(i) Records and forms management program. Establish and maintain a records and forms management program.

(j) Records and forms officer. Appoint a records and forms officer, who shall be responsible for compliance by the department or independent agency with all records and forms management laws and rules and who may prevent any form from being put into use.

(k) Form numbering and filing system. Establish a numbering and filing system for forms.

(m) Notice on forms. See that each form used by the department or independent agency to seek information from municipalities, counties or the public contains on the first page of the form, or in the instructions for completing the form, a conspicuous notice of the authorization for the form, whether or not completing the form is voluntary, if it is not voluntary, the penalty for failure to respond and whether or not any personally identifiable information, as defined under s. 19.62 (5), requested in the form is likely to be used for purposes other than for which it is originally being collected. This paragraph does not apply to state tax forms.

(2) DEPUTY. Each secretary of a department or head of an independent agency under s. 230.08 (2) (L) may appoint a deputy who shall serve at the pleasure of the secretary or agency head outside the classified service. The deputy shall exercise the powers, duties and functions of the secretary or head in the absence of the secretary or head, and shall perform such other duties as the secretary or head prescribes. The adjutant general may appoint 2 deputies as provided in s. 21.18 (1). In this subsection "secretary" includes the attorney general and the state superintendent of public instruction.

(3) DEPUTY APPROVALS. Positions for which appointment is made under sub.(2) may be authorized only under s. 16.505.

History: 1971 c. 125; 1975 c. 94; 1977 c. 196, 273, 418, 447; 1979 c. 221; 1981 c. 112, 350; 1981 c. 391 s. 210; 1983 a. 27, 524; 1985 a. 29; 1985 a. 180 ss. 2 to 4, 100; 1985 a. 332; 1987 a. 147 s. 25; 1987 a. 186; 1989 a. 248; 1991 a. 39, 189; 1995 a. 27; 1997 a. 73.

15.05 Secretaries. (1) SELECTION. (a) If a department is under the direction and supervision of a secretary, the secretary shall be nominated by the governor, and with the advice and consent of the senate appointed, to serve at the pleasure of the governor.

(b) Except as provided in pars.(c) and (d), if a department is under the direction and supervision of a board, the board shall appoint a secretary to serve at the pleasure of the board outside the classified service. In such departments, the powers and duties of the board shall be regulatory, advisory and policy-making, and not administrative. All of the administrative powers and duties of the department are vested in the secretary, to be administered by him or her under the direction of the board. The secretary, with the approval of the board, shall promulgate rules for administering the department and performing the duties assigned to the department.

(c) The secretary of natural resources shall be nominated by the governor, and with the advice and consent of the senate appointed, to serve at the pleasure of the governor.

(d) The secretary of agriculture, trade and consumer protection shall be nominated by the governor, and with the advice and consent of the senate appointed, to serve at the pleasure of the governor.

(3) EXECUTIVE ASSISTANT. Each secretary may appoint an executive assistant to serve at his or her pleasure outside the classified service. The executive assistant shall perform duties as the secretary prescribes. In this subsection, "secretary" includes the attorney general, the adjutant general, the director of the technical college system and the state superintendent of public instruction.

(3m) FIELD DISTRICT OR FIELD AREA DIRECTORS. Each secretary may appoint a director under the classified service for each district or area office established in his or her department under s. 15.02 (3) (b).

(4) OFFICIAL OATH. Each secretary shall take and file the official oath prior to assuming office.

(5) EXECUTIVE ASSISTANT APPROVALS. Positions for which appointment is made under sub.(3) may be authorized only under s. 16.505.

History: 1973 c. 90; 1977 c. 4, 196; 1985 a. 18; 1985 a. 332 s. 251 (3); 1989 a. 31, 169; 1993 a. 399; 1995 a. 27.

A secretary, appointed by the governor, could be removed only by the governor, even though the general appointment statute had been amended to provide that the secretary is appointed by a board to serve at the board's pleasure. *Moses v. Board of Veterans Affairs*, 80 Wis. 2d 41 1, 259 N.W.2d 102 (1977).

15.06 Commissions and commissioners. (1) SELECTION OF MEMBERS. (a) Except as otherwise provided in this subsection, the members of commissions shall be nominated by the governor, and with the advice and consent of the senate appointed, for staggered 6-year terms expiring on March 1 of the odd-numbered years.

(ag) Members of the Wisconsin waterways commission shall be nominated by the governor, and with the advice and consent of the senate appointed, for staggered 5-year terms.

(ar) The commissioner of railroads shall be nominated by the governor, and with the advice and consent of the senate appointed, for a 6-year term expiring on March 1 of an odd-numbered year.

(b) The commissioner of insurance shall be nominated by the governor, and with the advice and consent of the senate appointed, to serve at the pleasure of the governor. The governor may remove from office the commissioner of insurance who was appointed for a fixed term before August 1, 1987.

(d) The members of the personnel commission shall be nominated by the governor, and with the advice and consent of the senate appointed, for 5-year terms, subject to the following conditions:

1. At least one member shall be licensed to practice law in this state.

2. They shall possess some professional experience in the field of personnel or labor relations.

3. No member may hold any other position in state employment.

4. No member, when appointed or for 3 years immediately prior to the date of appointment, may have been an officer of a committee in any political party, partisan political club or partisan political organization or have held or been a candidate for any partisan elective public office. No member may become a candidate for or hold any such office.

5. At no time may more than 2 members be adherents of the same political party.

6. Each member of the commission shall be a U.S. citizen and shall have been a resident of this state for at least 3 years.

(2) SELECTION OF OFFICERS. Each commission may annually elect officers other than a chairperson from among its members as its work requires. Any officer may be reappointed or reelected. At the time of making new nominations to commissions, the governor shall designate a member or nominee of each commission to serve as the commission's chairperson for a 2-year term expiring on March 1 of the odd-numbered year except that:

(a) Commencing March 1, 1979, and thereafter, the labor and industry review commission shall elect one of its members to serve as the commission's chairperson for a 2-year term expiring on March 1 of the odd-numbered year.

(3) FULL-TIME OFFICES. (a) A commissioner may not hold any other office or position of profit or pursue any other business or vocation, but shall devote his or her entire time to the duties of his or her office. This paragraph does not apply to:

1. The commissioner of insurance.

3. The members of the Wisconsin waterways commission.

(b) The commissioner of insurance shall not engage in any other occupation, business or activity that is in any way inconsistent with the performance of the duties of the commissioner of insurance, nor shall the commissioner hold any other public office.

(4) CHAIRPERSON; ADMINISTRATIVE DUTIES. The administrative duties of each commission shall be vested in its chairperson, to be administered by the chairperson under the statutes and rules of the commission and subject to the policies established by the commission.

(4m) EXECUTIVE ASSISTANT. Each commission chairperson under s. 230.08 (2) (m) and each commissioner of the public service commission may appoint an executive assistant to serve at his or her

pleasure outside the classified service. The executive assistant shall perform duties as the chairperson or commissioner prescribes.

(5) FREQUENCY OF MEETINGS; PLACE. Every commission shall meet on the call of the chairperson or a majority of its members. Every commission shall maintain its offices in Madison, but may meet or hold hearings at such other locations as will best serve the citizens of this state.

(6) QUORUM. A majority of the membership of a commission constitutes a quorum to do business, except that vacancies shall not prevent a commission from doing business. This subsection does not apply to the parole commission.

(7) REPORTS. Every commission attached to a department shall submit to the head of the department, upon request of that person not more often than annually, a report on the operation of the commission.

(8) OFFICIAL OATH. Every commissioner shall take and file the official oath prior to assuming office.

(9) EXECUTIVE ASSISTANT APPROVALS. Positions for which appointment is made under sub.(4m) may be authorized only under s. 16.505.

History: 1971 c. 193, 307; 1977 c. 29, 196, 274; 1981 c. 347; 1983 a. 27, 371, 410, 538; 1985 a. 29; 1987 a. 27, 403; 1989 a. 31; 1991 a. 39, 269, 316; 1993 a. 16, 123; 1995 a. 27; 1997 a. 27; 2001 a. 16.

A single member of the personnel commission is empowered to act as the commission when 2 of the 3 commission positions are vacant. 68 Att'y. Gen. 323.

A commissioner designated as chairperson of the commission under sub.(2) is not appointed to a new position, and Art. IV, s. 26, precludes a salary increase based on that designation. 76 Att'y. Gen. 52.

Sub.(3) (a) prohibits a commissioner from pursuing business interests that would prevent properly fulfilling the duties of the office. 77 Att'y. Gen. 36.

15.07 Boards. (1) SELECTION OF MEMBERS. (a) If a department or independent agency is under the direction and supervision of a board, the members of the board, other than the members serving on the board because of holding another office or position, shall be nominated by the governor, and with the advice and consent of the senate appointed, to serve for terms prescribed by law, except:

1. Members of the higher educational aids board shall be appointed by the governor without senate confirmation.

2. Members of the elections board shall be appointed as provided in s. 15.61.

3. Members of the employee trust funds board appointed or elected under s. 15.16 (1) (a), (b), (d) and (f) shall be appointed or elected as provided in that section.

4. Members of the investment board appointed under s. 15.76 (3) shall be appointed as provided in that section.

5. The members of the educational communications board appointed under s. 15.57 (5) and (7) shall be appointed as provided in that section.

6. Members of the University of Wisconsin Hospitals and Clinics Board appointed under s. 15.96 (8) shall be appointed by the governor without senate confirmation.

(b) For each board not covered under par.(a), the governor shall appoint the members of the board, other than the members serving on the board because of holding another office or position and except as otherwise provided, for terms prescribed by law except that all members of the following boards, or all members of the following boards specified in this paragraph, other than the members serving on a board because of holding another office or position, shall be nominated by the governor, and with the advice and consent of the senate appointed, for terms provided by law:

1. Banking review board.
2. College savings program board.
3. Credit union review board.
5. Savings and loan review board.
8. Real estate board.
9. Board on aging and long-term care.
10. Land and water conservation board.
11. Waste facility siting board.
12. Prison industries board.
14. Deferred compensation board.
15. The 3 members of the lower Wisconsin state riverway board appointed under s. 15.445 (3) (b) 7.
- 15m. The members of the state fair park board appointed under s. 15.445 (4) (a) 3. to 5.
16. Land information board.

Note: Subd. 16. is repealed eff. 9-1-03 by 1997 Wis. Act 27.

17. Real estate appraisers board.

18. Savings bank review board.

19m. Auctioneer board.

20. The 3 members of the Kickapoo reserve management board appointed under s. 15.445 (2) (b) 3.

22. Private employer health care coverage board.

Note: Subd. 22. is repealed eff. 1-1-10 by 1999 Wis. Act 9.

(c) Except as provided under par.(cm), fixed terms of members of boards shall expire on May 1 and, if the term is for an even number of years, shall expire in an odd-numbered year.

(cm) The term of one member of the ethics board shall expire on each May 1. The terms of 3 members of the development finance board appointed under s. 15.155 (1) (a) 6. shall expire on May 1 of every even-numbered year and the terms of the other 3 members appointed under s. 15.155 (1) (a) 6. shall expire on May 1 of every odd-numbered year. The terms of the 3 members of the land and water conservation board appointed under s. 15.135 (4) (b) 2. shall expire on January 1. The term of the member of the land and water conservation board appointed under s. 15.135 (4) (b) 2m. shall expire on May 1 of an even-numbered year. The terms of members of the real estate board shall expire on July 1. The terms of the appraiser members of the real estate appraisers board and the terms of the auctioneer and auction company representative members of the auctioneer board shall expire on May 1 in an even-numbered year.

(cs) No member of the auctioneer board, real estate appraisers board or real estate board may be an officer, director or employee of a private organization that promotes or furthers any profession or occupation regulated by that board.

(2) SELECTION OF OFFICERS. At its first meeting in each year, every board shall elect a chairperson, vice chairperson and secretary each of whom may be reelected for successive terms, except that:

(a) The chairperson and vice chairperson of the investment board shall be designated biennially by the governor.

(b) The chairperson of the board on health care information shall be designated biennially by the governor.

(d) The officers elected by the board of regents of the University of Wisconsin System and the technical college system board shall be known as a president, vice president and secretary.

(e) The representative of the department of justice shall serve as chairperson of the claims board and the representative of the department of administration shall serve as its secretary.

(f) The state superintendent of public instruction or his or her designated representative shall serve as chairperson of the school district boundary appeal board.

(g) A representative of the department of justice designated by the attorney general shall serve as nonvoting secretary to the law enforcement standards board.

(h) The chairperson of the state fair park board shall be designated annually by the governor from among the members appointed under s. 15.445 (4) (a) 3., 4. and 5.

(j) At its first meeting in each even-numbered year, the state capital and executive residence board shall elect officers for 2-year terms.

(k) The governor shall serve as chairperson of the governor's work-based learning board.

(L) The governor shall serve as chairperson of the information technology management board and the chief information officer shall serve as secretary of that board.

(3) FREQUENCY OF MEETINGS. (a) If a department or independent agency is under the direction and supervision of a board, the board shall meet quarterly and may meet at other times on the call of the chairperson or a majority of its members. If a department or independent agency is under the direction and supervision of a board, the board shall, in addition, meet no later than August 31 of each even-numbered year to consider and approve a proposed budget of the department or independent agency for the succeeding fiscal biennium.

(b) Except as provided in par.(bm), each board not covered under par.(a) shall meet annually, and may meet at other times on the call of the chairperson or a majority of its members. The auctioneer board, the real estate board and the real estate appraisers board shall also meet on the call of the secretary of regulation and licensing or his or her designee within the department.

(bm) 1. The board on health care information shall meet **4** times each year and may meet at other times on the call of the chairperson or a majority of the board's members.

2. The environmental education board shall meet **4** times each year and may meet at other times on the call of the chairperson.

3. The auctioneer board shall meet at least **4** times each year.

4. The information technology management board shall meet at least 4 times each year and may meet at other times on the call of the chairperson.

(4) QUORUM A majority of the membership of a board constitutes a quorum to do business and, unless a more restrictive provision is adopted by the board, a majority of a quorum may act in any matter within the jurisdiction of the board. This subsection does not apply to actions of the ethics board or the school district boundary appeal board as provided in **ss. 19.47(4)** and **117.05(2)(a)**.

(5) REIMBURSEMENT FOR EXPENSES; COMPENSATION. Except as provided in sub.(5m), the members of each board shall be reimbursed for their actual and necessary expenses incurred in the performance of their duties, such reimbursement in the case of an officer or employee of this state who represents an agency as a member of a board to be paid by the agency which pays the member's salary. The members shall receive no compensation for their services, except that the following members of boards, except full-time state officers or employees, also shall be paid the per diem stated below for each day on which they were actually and necessarily engaged in the performance of their duties:

(a) Members of the investment board, **\$50** per day.

(b) Members of the banking review board, **\$25** per day but not to exceed **\$1,500** per year.

(c) Members of the auctioneer board, **\$25** per day.

(d) Members of the board of agriculture, trade and consumer protection, not exceeding **\$35** per day as fixed by the board with the approval of the governor, but not to exceed \$1,000 per year.

(e) In lieu of a per diem, the members of the technical college system board shall receive \$100 annually.

(f) Members of the teachers retirement board, appointive members of the Wisconsin retirement board, appointive members of the group insurance board, members of the deferred compensation board and members of the employee trust funds board, **\$25** per day.

(g) Members of the savings and loan review board, **\$10** per day.

(gm) Members of the savings bank review board, **\$10** per day.

(h) Voting members of the land and water conservation board, **\$25** per day.

(i) Members of the educational approval board, **\$25** per day.

(j) Members of the state fair park board, **\$10** per day but not to exceed \$600 per year.

(k) Members of the ethics board, **\$25** per day.

(L) Members of the school district boundary appeal board, **\$25** per day.

(n) Members of the elections board, **\$25** per day.

(o) Members of the burial sites preservation board, **\$25** per day.

(r) Members of the real estate board, **\$25** per day.

(s) Members of the credit union review board, **\$25** per day but not to exceed **\$1,500** per year.

(t) Members of the waste facility siting board who are town or county officials, **\$35** per day.

(w) Members of the lower Wisconsin state riverway board, **\$25** per day.

(x) Members of the real estate appraisers board, **\$25** per day.

(y) Members of the Kickapoo reserve management board, **\$25** per day.

(5m) LIMITATIONS ON SALARY AND EXPENSES. (b) Lower Wisconsin state riverway board. The members, except for the chairperson, of the lower Wisconsin state riverway board shall be reimbursed under sub.(5) for only their necessary and actual travel expenses incurred in the performance of their duties, or shall be paid **\$25** plus mileage incurred in the performance of their duties, whichever is greater. The chairperson of the lower Wisconsin state riverway board shall be reimbursed for all his or her actual and necessary expenses incurred in the performance of his or her duties. The lower Wisconsin state riverway board shall determine which expenses of the chairperson are actual and necessary before reimbursement.

(6) REPORTS. Every board created in or attached to a department or independent agency shall submit to the head of the department or

independent agency, upon request of that person not more often than annually, a report on the operation of the board.

(7) OFFICIAL OATH. Each member of a board shall take and file the official oath prior to assuming office.

History: 1971 c. 100 s. 23; 1971 c. 125, 261, 270, 323; 1973 c. 90, 156, 299, 334; 1975 c. 39, 41, 422; 1977 c. 29 s. 24, 26, 1650m(3); 1977 c. 203, 277, 418, 427; 1979 c. 34, 110, 221, 346; 1981 c. 20, 62, 94, 96, 156, 314, 346, 374, 391; 1983 a. 27, 282, 403; 1983 a. 20, 29, 316; 1987 a. 27, 119, 142, 354, 399, 403; 1989 a. 31, 102, 114, 219, 299, 340; 1991 a. 25, 39, 116, 221, 269, 316; 1993 a. 16, 75, 102, 184, 349, 399, 490; 1995 a. 27, 216, 247; 1997 a. 27; 1999 a. 9, 44, 141, 197, 2001 a. 16.

"Membership" as used in sub.(4) means the authorized number of positions and not the number of positions that are currently occupied. 66 Atty. Gen. 192.

15.08 Examining boards and councils. (1) SELECTION OF MEMBERS. All members of examining boards shall be residents of this state and shall, unless otherwise provided by law, be nominated by the governor, and with the advice and consent of the senate appointed. Appointments shall be for the terms provided by law. Terms shall expire on July 1. No member may serve more than **2** consecutive terms. No member of an examining board may be an officer, director or employee of a private organization which promotes or furthers the profession or occupation regulated by that board.

(Im) PUBLIC MEMBERS. (a) Public members appointed under **s. 15.405** or **15.407** shall have all the powers and duties of other members except they shall not prepare questions for or grade any licensing examinations.

(am) Public members appointed under **s. 15.405** or **15.407** shall not be, nor ever have been, licensed, certified, registered or engaged in any profession or occupation licensed or otherwise regulated by the board, examining board or examining council to which they are appointed, shall not be married to any person so licensed, certified, registered or engaged, and shall not employ, be employed by or be professionally associated with any person so licensed, certified, registered or engaged.

(b) The public members of the chiropractic examining board, the dentistry examining board, the hearing and speech examining board, the medical examining board, perfusionists examining council, respiratory care practitioners examining council and council on physician assistants, the board of nursing, the nursing home administrator examining board, the veterinary examining board, the optometry examining board, the pharmacy examining board, the marriage and family therapy, professional counseling, and social work examining board, and the psychology examining board shall not be engaged in any profession or occupation concerned with the delivery of physical or mental health care.

(c) The membership of each examining board and examining council created in the department of regulation and licensing after June 1, **1975**, shall be increased by one member who shall be a public member appointed to serve for the same term served by the other members of such examining board or examining council, unless the act relating to the creation of such examining board or examining council provides that **2** or more public members shall be appointed to such examining board or examining council.

(2) SELECTION OF OFFICERS. At its first meeting in each year, every examining board shall elect from among its members a chairperson, vice chairperson and, unless otherwise provided by law, a secretary. Any officer may be reelected to succeed himself or herself.

(3) FREQUENCY OF MEETINGS. (a) Every examining board shall meet annually and may meet at other times on the call of the chairperson or of a majority of its members.

(b) The medical examining board shall meet at least 12 times annually.

(c) The hearing and speech examining board shall meet at least once every 3 months.

(4) QUORUM. (a) A majority of the membership of an examining board constitutes a quorum to do business, and a majority of a quorum may act in any matter within the jurisdiction of the examining board.

(b) Notwithstanding par.(a), no certificate or license which entitles the person certified or licensed to practice a trade or profession shall be suspended or revoked without the affirmative vote of two-thirds of the voting membership of the examining board.

(5) GENERAL POWERS. Each examining board: (a) May compel the attendance of witnesses, administer oaths, take testimony and receive proof concerning all matters within its jurisdiction.

(b) Shall promulgate rules for its own guidance and for the guidance of the trade or profession to which it pertains, and define and enforce professional conduct and unethical practices not inconsistent with the law relating to the particular trade or profession.

(c) May limit, suspend or revoke, or reprimand the holder of, any license, permit or certificate granted by the examining board.

(6) IMPROVEMENT OF THE PROFESSION. In addition to any other duties vested in it by law, each examining board shall foster the standards of education or training pertaining to its own trade or profession, not only in relation of the trade or profession to the interest of the individual or to organized business enterprise, but also in relation to government and to the general welfare. Each examining board shall endeavor, both within and outside its own trade or profession, to bring about a better understanding of the relationship of the particular trade or profession to the general welfare of this state.

(7) COMPENSATION AND REIMBURSEMENT FOR EXPENSES. Each member of an examining board shall, unless the member is a full-time salaried employee of this state, be paid a per diem of \$25 for each day on which the member was actually and necessarily engaged in the performance of examining board duties. Each member of an examining board shall be reimbursed for the actual and necessary expenses incurred in the performance of examining board duties.

(8) OFFICIAL OATH. Every member of an examining board shall take and file the official oath prior to assuming office.

(9) ANNUAL REPORTS. Every examining board shall submit to the head of the department in which it is created, upon request of that person not more often than annually, a report on the operation of the examining board.

(10) SEAL. Every examining board may adopt a seal.

History: 1971 c. 40, 1975 c. 86, 199, 1977 c. 418; 1979 c. 32; 1979 c. 34 ss. 32e to 32s, 2102 (45)(a); 1979 c. 221; 1981 c. 94; 1983 a. 403,524; 1985 a. 332,340; 1987 a. 399; 1989 a. 229, 316, 359; 1991 a. 39, 160, 316; 1993 a. 105, 107, 184,490; 1995 a. 245; 1997 a. 175; 1999 a. 180; 2001 a. 80, 89, 105.

Selection and terms of officers of regulatory and licensing boards are discussed. 75 *Atty. Gen.* 247 (1986).

15.085 Affiliated credentialing boards. (1) SELECTION OF MEMBERS. All members of affiliated credentialing boards shall be residents of this state and shall, unless otherwise provided by law, be nominated by the governor, and with the advice and consent of the senate appointed. Appointments shall be for the terms provided by law. Terms shall expire on July 1. No member may serve more than 2 consecutive terms. No member of an affiliated credentialing board may be an officer, director or employee of a private organization which promotes or furthers the profession or occupation regulated by that board.

(1m) PUBLIC MEMBERS. (a) Public members appointed under s. 15.406 shall have all of the powers and duties of other members except that they shall not prepare questions for or grade any licensing examinations.

(am) Public members appointed under s. 15.406 shall not be, nor ever have been, licensed, certified, registered or engaged in any profession or occupation licensed or otherwise regulated by the affiliated credentialing board to which they are appointed, shall not be married to any person so licensed, certified, registered or engaged, and shall not employ, be employed by or be professionally associated with any person so licensed, certified, registered or engaged.

(b) The public members of the physical therapists affiliated credentialing board, podiatrists affiliated credentialing board or occupational therapists affiliated credentialing board shall not be engaged in any profession or occupation concerned with the delivery of physical or mental health care.

(2) SELECTION OF OFFICERS. At its first meeting in each year, every affiliated credentialing board shall elect from among its members a chairperson, vice chairperson and, unless otherwise provided by law, a secretary. Any officer may be reelected to succeed himself or herself.

(3) FREQUENCY OF MEETINGS. (a) Every affiliated credentialing board shall meet annually and may meet at other times on the call of the chairperson or of a majority of its members.

(b) The chairperson of an affiliated credentialing board shall meet at least once every 6 months with the examining board to which the

affiliated credentialing board is attached to consider all matters of joint interest.

(4) QUORUM. (a) A majority of the membership of an affiliated credentialing board constitutes a quorum to do business, and a majority of a quorum may act in any matter within the jurisdiction of the affiliated credentialing board.

(b) Notwithstanding par.(a), no certificate or license which entitles the person certified or licensed to practice a trade or profession shall be suspended or revoked without the affirmative vote of two-thirds of the membership of the affiliated credentialing board.

(5) GENERAL POWERS. Each affiliated credentialing board:

(a) May compel the attendance of witnesses, administer oaths, take testimony and receive proof concerning all matters within its jurisdiction.

(b) Shall promulgate rules for its own guidance and for the guidance of the trade or profession to which it pertains, and define and enforce professional conduct and unethical practices not inconsistent with the law relating to the particular trade or profession. In addition to any other procedure under ch. 227 relating to the promulgation of rules, when promulgating a rule, other than an emergency rule under s. 227.24, an affiliated credentialing board shall do all of the following:

1. Submit the proposed rule to the examining board to which the affiliated credentialing board is attached. The proposed rule shall be submitted under this subdivision at least 60 days before the proposed rule is submitted to the legislative council staff under s. 227.15 (1).

2. Consider any comments on a proposed rule made by the examining board to which the affiliated credentialing board is attached, if the examining board submits the comments to the affiliated credentialing board within 30 days after a public hearing on the proposed rule under s. 227.18 or, if no hearing is held, within 30 days after the proposed rule is published under s. 227.16 (2) (e).

3. Include, in the report submitted to the legislature under s. 227.19 (2), any comments on the proposed rule submitted by the examining board under subd. 2. and the affiliated credentialing board's responses to those comments.

(c) May limit, suspend or revoke, or reprimand the holder of, any license, permit or certificate granted by the affiliated credentialing board.

(6) IMPROVEMENT OF THE PROFESSION. In addition to any other duties vested in it by law, each affiliated credentialing board shall foster the standards of education or training pertaining to its own trade or profession, not only in relation of the trade or profession to the interest of the individual or to organized business enterprise, but also in relation to government and to the general welfare. Each affiliated credentialing board shall endeavor, both within and outside its own trade or profession, to bring about a better understanding of the relationship of the particular trade or profession to the general welfare of this state.

(7) COMPENSATION AND REIMBURSEMENT FOR EXPENSES. Each member of an affiliated credentialing board shall, unless the member is a full-time salaried employee of this state, be paid a per diem of \$25 for each day on which the member was actually and necessarily engaged in the performance of affiliated credentialing board duties. Each member of an affiliated credentialing board shall be reimbursed for the actual and necessary expenses incurred in the performance of affiliated credentialing board duties.

(8) OFFICIAL OATH. Every member of an affiliated credentialing board shall take and file the official oath prior to assuming office.

(9) ANNUAL REPORTS. Every affiliated credentialing board shall submit to the head of the department in which it is created, upon request of that person not more often than annually, a report on the operation of the affiliated credentialing board.

(10) SEAL. Every affiliated credentialing board may adopt a seal.

History: 1993 a. 107; 1997 a. 175; 1999 a. 180.

15.09 Councils. (1) SELECTION OF MEMBERS. (a) Unless otherwise provided by law, the governor shall appoint the members of councils for terms prescribed by law. Except as provided in par.(b), fixed terms shall expire on July 1 and shall, if the term is for an even number of years, expire in an odd-numbered year.

(b) The terms of the members of the council on recycling shall expire as specified under s. 15.347 (17) (c).

(2) SELECTION OF OFFICERS. Unless otherwise provided by law, at its first meeting in each year every council shall elect a chairperson,

vice chairperson and secretary from among its members. Any officer may be reelected for successive terms. For any council created under the general authority of s. 15.04 (1) (c), the constitutional officer or secretary heading the department or the chief executive officer of the independent agency in which such council is created shall designate an employee of the department or independent agency to serve as secretary of the council and to be a voting member thereof.

(3) LOCATION AND FREQUENCY OF MEETINGS. Unless otherwise provided by law, every council shall meet at least annually and shall also meet on the call of the head of the department or independent agency in which it is created, and may meet at other times on the call of the chairperson or a majority of its members. A council shall meet at such locations as may be determined by it unless the constitutional officer or secretary heading the department or the chief executive officer of the independent agency in which it is created determines a specific meeting place.

(4) QUORUM. Except as otherwise expressly provided, a majority of the membership of a council constitutes a quorum to do business, and a majority of a quorum may act in any matter within the jurisdiction of the council.

(5) POWERS AND DUTIES. Unless otherwise provided by law, a council shall advise the head of the department or independent agency in which it is created and shall function on a continuing basis for the study, and recommendation of solutions and policy alternatives, of the problems arising in a specified functional area of state government.

(6) REIMBURSEMENT FOR EXPENSES. Members of a council shall not be compensated for their services, but members of councils created by statute shall be reimbursed for their actual and necessary expenses incurred in the performance of their duties, such reimbursement in the case of an elective or appointive officer or employee of this state who represents an agency as a member of a council to be paid by the agency which pays his or her salary.

(7) REPORTS. Unless a different provision is made by law for transmittal or publication of a report, every council created in a department or independent agency shall submit to the head of the department or independent agency, upon request of that person not more often than annually, a report on the operation of the council.

(8) OFFICIAL OATH. Each member of a council shall take and file the official oath prior to assuming office.

History: 1971 c. 211; 1977 c. 29; 1977 c. 196 s. 131; 1979 c. 34, 346; 1983 a. 27, 388, 410; 1985 a. 84; 1989 a. 335; 1991 a. 39, 189; 1993 a. 184.

SUBCHAPTER II DEPARTMENTS

15.40 Department of regulation and licensing; creation. There is created a department of regulation and licensing under the direction and supervision of the secretary of regulation and licensing.

History: 1971 c. 270 s. 104; 1975 c. 39; 1977 c. 29; 1977 c. 196 s. 131; 1977 c. 418 ss. 24 to 27.

15.405 Same; attached boards and examining boards.

(1) ACCOUNTING EXAMINING BOARD. There is created an accounting examining board in the department of regulation and licensing. The examining board shall consist of 7 members, appointed for staggered 4-year terms. Five members shall hold certificates as certified public accountants and be eligible for licensure to practice in this state. Two members shall be public members.

(2) EXAMINING BOARD OF ARCHITECTS, LANDSCAPE ARCHITECTS, PROFESSIONAL ENGINEERS, DESIGNERS AND LAND SURVEYORS. There is created an examining board of architects, landscape architects, professional engineers, designers and land surveyors in the department of regulation and licensing. Any professional member appointed to the examining board shall be registered to practice architecture, landscape architecture, professional engineering, the design of engineering systems or land surveying under ch. 443. The examining board shall consist of the following members appointed for 4-year terms: 3 architects, 3 landscape architects, 3 professional engineers, 3 designers, 3 land surveyors and 10 public members.

(a) In operation, the examining board shall be divided into an architect section, a landscape architect section, an engineer section, a designer section and a land surveyor section. Each section shall consist of the 3 members of the named profession appointed to the examining board and 2 public members appointed to the section. The

examining board shall elect its own officers, and shall meet at least twice annually.

(b) All matters pertaining to passing upon the qualifications of applicants for and the granting or revocation of registration, and all other matters of interest to either the architect, landscape architect, engineer, designer or land surveyor section shall be acted upon solely by the interested section.

(c) All matters of joint interest shall be considered by joint meetings of all sections of the examining board or of those sections to which the problem is of interest.

(2m) EXAMINING BOARD OF PROFESSIONAL GEOLOGISTS, HYDROLOGISTS AND SOIL SCIENTISTS. (a) There is created in the department of regulation and licensing an examining board of professional geologists, hydrologists and soil scientists consisting of the following members appointed for 4-year terms:

1. Three members who are professional geologists licensed under ch. 470.

2. Three members who are professional hydrologists licensed under ch. 470.

3. Three members who are professional soil scientists licensed under ch. 470.

4. Three public members.

(b) In operation, the examining board shall be divided into a professional geologist section, a professional hydrologist section and a professional soil scientist section. Each section shall consist of the 3 members of the named profession appointed to the examining board and one public member appointed to the section. The examining board shall elect its own officers, and shall meet at least twice annually.

(c) All matters pertaining to passing upon the qualifications of applicants for and the granting or revocation of licenses, and all other matters of interest to either the professional geologist, hydrologist or soil scientist section shall be acted upon solely by the interested section.

(d) All matters of joint interest shall be considered by joint meetings of all sections of the examining board or of those sections to which the matter is of interest.

(3) AUCTIONEER BOARD. (a) There is created in the department of regulation and licensing an auctioneer board consisting of the following members appointed for 4-year terms:

1. Four members, each of whom is registered under ch. 480 as an auctioneer, or is an auction company representative, as defined in s. 480.01 (3), of an auction company that is registered under ch. 480 as an auction company.

2. Three public members.

(b) No member of the board may serve more than 2 terms.

(5) CHIROPRACTIC EXAMINING BOARD. There is created a chiropractic examining board in the department of regulation and licensing. The chiropractic examining board shall consist of 6 members, appointed for staggered 4-year terms. Four members shall be graduates from a school of chiropractic and licensed to practice chiropractic in this state. Two members shall be public members. No person may be appointed to the examining board who is in any way connected with or has a financial interest in any chiropractic school.

(5g) CONTROLLED SUBSTANCES BOARD. There is created in the department of regulation and licensing a controlled substances board consisting of the attorney general, the secretary of health and family services and the secretary of agriculture, trade and consumer protection, or their designees; the chairperson of the pharmacy examining board or a designee; and one psychiatrist and one pharmacologist appointed for 3-year terms.

(6) DENTISTRY EXAMINING BOARD. There is created a dentistry examining board in the department of regulation and licensing consisting of the following members appointed for 4-year terms:

(a) Six dentists who are licensed under ch. 447.

(b) Three dental hygienists who are licensed under ch. 447. Notwithstanding s. 15.08 (1m) (a), the dental hygienist members may participate in the preparation and grading of licensing examinations for dental hygienists.

(c) Two public members.

(6m) HEARING AND SPEECH EXAMINING BOARD. There is created a hearing and speech examining board in the department of regulation and licensing consisting of the following members appointed for 4-year terms:

(a) Three hearing instrument specialists licensed under subch. I of ch. 459.

(b) One otolaryngologist.

(c) 1. One audiologist registered under subch. III of ch. 459. This subdivision applies during the period beginning on December 1, 1990, and ending on June 30, 1993.

2. One audiologist licensed under subch. II of ch. 459. This subdivision applies after June 30, 1993.

(d) 1. One speech-language pathologist registered under subch. III of ch. 459. This subdivision applies during the period beginning on December 1, 1990, and ending on June 30, 1993.

2. One speech-language pathologist licensed under subch. II of ch. 459. This subdivision applies after June 30, 1993.

(e) Two public members. One of the public members shall be a hearing aid user.

(7) MEDICAL EXAMINING BOARD. (a) There is created a medical examining board in the department of regulation and licensing.

(b) The medical examining board shall consist of the following members appointed for staggered 4-year terms:

1. Nine licensed doctors of medicine.

2. One licensed doctor of osteopathy.

3. Three public members.

(c) The chairperson of the patients compensation fund peer review council under s. 655.275 shall serve as a nonvoting member of the medical examining board.

(7c) MARRIAGE AND FAMILY THERAPY, PROFESSIONAL COUNSELING, AND SOCIAL WORK EXAMINING BOARD. (a) There is created a marriage and family therapy, professional counseling, and social work examining board in the department of regulation and licensing consisting of the following members appointed for 4-year terms:

1. Four social worker members who are certified or licensed under ch. 457.

2. Three marriage and family therapist members who are licensed under ch. 457.

3. Three professional counselor members who are licensed under ch. 457.

4. Three public members who represent groups that promote the interests of consumers of services provided by persons who are certified or licensed under ch. 457.

(am) The 4 members appointed under par.(a) 1. shall consist of the following:

1. One member who is certified under ch. 457 as an advanced practice social worker.

2. One member who is certified under ch. 457 as an independent social worker.

3. One member who is licensed under ch. 457 as a clinical social worker.

4. At least one member who is employed as a social worker by a federal, state or local governmental agency.

(b) In operation, the examining board shall be divided into a social worker section, a marriage and family therapist section and a professional counselor section. The social worker section shall consist of the 4 social worker members of the examining board and one of the public members of the examining board. The marriage and family therapist section shall consist of the 3 marriage and family therapist members of the examining board and one of the public members of the examining board. The professional counselor section shall consist of the 3 professional counselor members of the examining board and one of the public members of the examining board.

(c) All matters pertaining to granting, denying, limiting, suspending, or revoking a certificate or license under ch. 457, and all other matters of interest to either the social worker, marriage and family therapist, or professional counselor section shall be acted upon solely by the interested section of the examining board.

(d) All matters that the examining board determines are of joint interest shall be considered by joint meetings of all sections of the examining board or of those sections to which the problem is of interest.

(e) Notwithstanding s. 15.08 (4) (a), at a joint meeting of all sections of the examining board, a majority of the examining board constitutes a quorum to do business only if at least 8 members are present at the meeting. At a meeting of a section of the examining board or a joint meeting of 2 or more of the sections of the examining

board, each member who is present has one vote, except as provided in par.(f).

(f) At a joint meeting of the social worker section and one or both of the other sections of the examining board, each member who is present has one vote, except that the social worker members each have three-fourths of a vote if all 4 of those members are present.

(79) BOARD OF NURSING. There is created a board of nursing in the department of regulation and licensing. The board of nursing shall consist of the following members appointed for staggered 4-year terms: 5 currently licensed registered nurses under ch. 441; 2 currently licensed practical nurses under ch. 441; and 2 public members. Each registered nurse member shall have graduated from a program in professional nursing and each practical nurse member shall have graduated from a program in practical nursing accredited by the state in which the program was conducted.

(7m) NURSING HOME ADMINISTRATOR EXAMINING BOARD. There is created a nursing home administrator examining board in the department of regulation and licensing consisting of 9 members appointed for staggered 4-year terms and the secretary of health and family services or a designee, who shall serve as a nonvoting member. Five members shall be nursing home administrators licensed in this state. One member shall be a physician. One member shall be a nurse licensed under ch. 441. Two members shall be public members. No more than 2 members may be officials or full-time employees of this state.

(8) OPTOMETRY EXAMINING BOARD. There is created an optometry examining board in the department of regulation and licensing. The optometry examining board shall consist of 7 members appointed for staggered 4-year terms. Five of the members shall be licensed optometrists in this state. Two members shall be public members.

(9) PHARMACY EXAMINING BOARD. There is created a pharmacy examining board in the department of regulation and licensing. The pharmacy examining board shall consist of 7 members appointed for staggered 4-year terms. Five of the members shall be licensed to practice pharmacy in this state. Two members shall be public members.

(10m) PSYCHOLOGY EXAMINING BOARD. There is created in the department of regulation and licensing a psychology examining board consisting of 6 members appointed for staggered 4-year terms. Four of the members shall be psychologists licensed in this state. Each of the psychologist members shall represent a different specialty area within the field of psychology. Two members shall be public members.

(10r) REAL ESTATE APPRAISERS BOARD. (a) There is created a real estate appraisers board in the department of regulation and licensing consisting of the following members appointed for 4-year terms:

1. Three appraisers who are certified or licensed under ch. 458.

2. One assessor, as defined in s. 458.09 (1).

3. Three public members.

(b) Of the appraiser members of the board, one shall be certified under s. 458.06 as a general appraiser, one shall be certified under s. 458.06 as a residential appraiser and one shall be licensed under s. 458.08 as an appraiser. No public member of the board may be connected with or have any financial interest in an appraisal business or in any other real estate-related business. Section 15.08 (1m) (am) applies to the public members of the board. No member of the board may serve more than 2 consecutive terms.

(c) Notwithstanding s. 15.07 (4), a majority of the board constitutes a quorum to do business only if at least 2 of the members present are appraiser members and at least one of the members present is a public member.

(11) REAL ESTATE BOARD. There is created a real estate board in the department of regulation and licensing. The real estate board shall consist of 7 members appointed to staggered 4-year terms. Four of the members shall be real estate brokers or salespersons licensed in this state. Three members shall be public members. Section 15.08 (1m) (am) applies to the public members of the real estate board. No member may serve more than 2 terms. The real estate board does not have rule-making authority.

(12) VETERINARY EXAMINING BOARD. There is created a veterinary examining board in the department of regulation and licensing. The veterinary examining board shall consist of 8 members appointed for staggered 4-year terms. Five of the members shall be licensed veterinarians in this state. One member shall be a veterinary technician certified in this state. Two members shall be public

members. No member of the examining board may in any way be financially interested in any school having a veterinary department or a course of study in veterinary or animal technology.

(16) FUNERAL DIRECTORS EXAMINING BOARD. There is created a funeral directors examining board in the department of regulation and licensing. The funeral directors examining board shall consist of 6 members appointed for staggered 4-year terms. Four members shall be licensed funeral directors under ch. 445 in this state. Two members shall be public members.

(17) BARBERING AND COSMETOLOGY EXAMINING BOARD. There is created a barbering and cosmetology examining board in the department of regulation and licensing. The barbering and cosmetology examining board shall consist of 9 members appointed for 4-year terms. Four members shall be licensed barbers or cosmetologists, 2 members shall be public members, one member shall be a representative of a private school of barbering or cosmetology, one member shall be a representative of a public school of barbering or cosmetology and one member shall be a licensed electrologist. Except for the 2 members representing schools, no member may be connected with or have any financial interest in a barbering or cosmetology school.

History: 1973 c. 90, 156; 1975 c. 39, 86, 199, 200, 383, 422; 1977 c. 26, 29, 203; 1977 c. 418; 1979 c. 34 ss. 45, 47 to 52; 1979 c. 221, 304; 1981 c. 94 ss. 5, 9; 1981 c. 356; 1983 a. 27, 403, 485, 538; 1985 a. 340; 1987 a. 257 s. 2; 1987 a. 264, 265, 316; 1989 a. 316, 340; 1991 a. 39, 78, 160, 189, 269; 1993 a. 16, 102, 463, 465, 491; 1995 a. 27 s. 9126 (19); 1995 a. 225; 1995 a. 305 s. 1; 1995 a. 321, 417; 1997 a. 96, 252, 300; 2001 a. 16, 80.

A medical school instructor serving without compensation is ineligible to serve on the board of medical examiners. 62 Atty. Gen. 193.

An incumbent real estate examining board member is entitled to hold over in office until a successor is duly appointed and confirmed by the senate. The board was without authority to reimburse the nominee for expenses incurred in attending a meeting during an orientation period prior to confirmation. 63 Atty. Gen. 192.

15.406 Same; attached affiliated credentialing boards.

(1) PHYSICAL THERAPISTS AFFILIATED CREDENTIALING BOARD. There is created in the department of regulation and licensing, attached to the medical examining board, a physical therapists affiliated credentialing board consisting of the following members appointed for 4-year terms:

(a) Three physical therapists who are licensed under subch. III of ch. 448.

(am) One physical therapist assistant licensed under subch. III of ch. 448.

Note: Par. (am) is created eff. 4-1-04 by 2001 Wis. Act 70.

(b) One public member.

(2) DIETITIANS AFFILIATED CREDENTIALING BOARD. There is created in the department of regulation and licensing, attached to the medical examining board, a dietitians affiliated credentialing board consisting of the following members appointed for 4-year terms:

(a) Three dietitians who are certified under subch. V of ch. 448.

(b) One public member.

(3) PODIATRISTS AFFILIATED CREDENTIALING BOARD. There is created in the department of regulation and licensing, attached to the medical examining board, a podiatrists affiliated credentialing board consisting of the following members appointed for 4-year terms:

(a) Three podiatrists who are licensed under subch. IV of ch. 448.

(b) One public member.

(4) ATHLETIC TRAINERS AFFILIATED CREDENTIALING BOARD. There is created in the department of regulation and licensing, attached to the medical examining board, an athletic trainers affiliated credentialing board consisting of the following members appointed for 4-year terms:

(a) Four athletic trainers who are licensed under subch. VI of ch. 448 and who have not been issued a credential in athletic training by a governmental authority in a jurisdiction outside this state. One of the athletic trainer members may also be licensed under ch. 446 or 447 or subch. II, III or IV of ch. 448.

(b) One member who is licensed to practice medicine and surgery under subch. II of ch. 448 and who has experience with athletic training and sports medicine.

(c) One public member.

(5) OCCUPATIONAL THERAPISTS AFFILIATED CREDENTIALING BOARD. There is created in the department of regulation and licensing, attached to the medical examining board, an occupational therapists affiliated credentialing board consisting of the following members appointed for 4-year terms:

(a) Three occupational therapists who are licensed under subch. VII of ch. 448.

(b) Two occupational therapy assistants who are licensed under subch. VI of ch. 448.

(c) Two public members.

History: 1993 a. 107, 443; 1997 a. 75, 175; 1999 a. 9, 180; 2001 a. 70.

15.407 Same; councils. (1m) RESPIRATORY CARE PRACTITIONERS EXAMINING COUNCIL. There is created a respiratory care practitioners examining council in the department of regulation and licensing and serving the medical examining board in an advisory capacity in the formulating of rules to be promulgated by the medical examining board for the regulation of respiratory care practitioners. The respiratory care practitioners examining council shall consist of 3 certified respiratory care practitioners, each of whom shall have engaged in the practice of respiratory care for at least 3 years preceding appointment, one physician and one public member. The respiratory care practitioner and physician members shall be appointed by the medical examining board. The members of the examining council shall serve 3-year terms. Section 15.08 (1) to (4) (a) and (6) to (10) shall apply to the respiratory care practitioners examining council.

(2) COUNCIL ON PHYSICIAN ASSISTANTS. There is created a council on physician assistants in the department of regulation and licensing and serving the medical examining board in an advisory capacity. The council's membership shall consist of:

(a) The vice chancellor for health sciences of the University of Wisconsin—Madison or the vice chancellor's designee.

(b) One public member appointed by the governor for a 2-year term.

(c) Three physician assistants selected by the medical examining board for staggered 2-year terms.

(2m) PERFUSIONISTS EXAMINING COUNCIL. There is created a perfusionists examining council in the department of regulation and licensing and serving the medical examining board in an advisory capacity. The council shall consist of the following members appointed for 3-year terms:

(a) Three licensed perfusionists appointed by the medical examining board.

(b) One physician who is a cardiothoracic surgeon or a cardiovascular anesthesiologist and who is appointed by the medical examining board.

(c) One public member appointed by the governor.

(3) EXAMINING COUNCILS; BOARD OF NURSING. The following examining councils are created in the department of regulation and licensing to serve the board of nursing in an advisory capacity. Section 15.08 (1) to (4) (a) and (6) to (10), applies to the examining councils.

(a) Registered nurses. There is created an examining council on registered nurses to consist of 4 registered nurses of not less than 3 years' experience in nursing, appointed by the board of nursing for staggered 4-year terms.

(b) Practical nurses. There is created an examining council on licensed practical nurses to consist of one registered nurse, 3 licensed practical nurses and one registered nurse who is a faculty member of an accredited school for practical nurses, appointed by the board of nursing for staggered 3-year terms. No member may be a member of the examining council on registered nurses.

(4) COUNCIL ON SPEECH-LANGUAGE PATHOLOGY AND AUDIOLOGY. There is created a council on speech-language pathology and audiology in the department of regulation and licensing and serving the hearing and speech examining board in an advisory capacity. The council shall consist of the following members appointed for 3-year terms:

(a) Three speech-language pathologists licensed under subch. III of ch. 459.

(b) Two audiologists licensed under subch. III of ch. 459.

(5) COUNCIL ON REAL ESTATE CURRICULUM AND EXAMINATIONS. There is created in the department of regulation and licensing a council on real estate curriculum and examinations consisting of 7 members appointed for 4-year terms. Five members shall be real estate brokers or salespersons licensed under ch. 452 and 2 members shall be public members. Of the real estate broker or salesperson members, one member shall be a member of the real estate board appointed by the real estate board, at least 2 members shall be

licensed real estate brokers with at least 5 years of experience as real estate brokers, and at least one member shall be a licensed real estate salesperson with at least 2 years of experience as a real estate salesperson. Of the 2 public members, at least one member shall have at least 2 years of experience in planning or presenting real estate educational programs. No member of the council may serve more than 2 consecutive terms.

(6) PHARMACIST ADVISORY COUNCIL. There is created a pharmacist advisory council in the department of regulation and licensing and serving the pharmacy examining board in an advisory capacity. The council shall consist of the following members appointed for 3-year terms:

(a) Two pharmacists licensed under ch. 450 appointed by the chairperson of the pharmacy examining board.

(b) One physician licensed under subch. III of ch. 448 appointed by the chairperson of the medical examining board.

(c) One nurse licensed under ch. 441 appointed by the chairperson of the board of nursing.

(7) MASSAGE THERAPY AND BODYWORK COUNCIL. (a) There is created a massage therapy and bodywork council in the department of

regulation and licensing, serving the department in an advisory capacity. The council shall consist of 7 members, appointed for 4-year terms, who are massage therapists or bodyworkers certified under ch. 460 and who have engaged in the practice of massage therapy or bodywork for at least 2 years preceding appointment.

(b) In appointing members under par.(a), the governor shall ensure, to the maximum extent practicable, that the membership of the council is diverse, based on all of the following factors:

1. Massage or bodywork therapies practiced in this state.

2. Affiliation and nonaffiliation with a professional association for the practice of massage therapy or bodywork.

3. Professional associations with which massage therapists or bodyworkers in this state are affiliated.

4. Practice in urban and rural areas in this state.

Note: Sub. (7) is created eff. 3-1-03 by 2001 Wis. Act 74.

History: 1973 c. 149; 1975 c. 39, 86, 199, 383, 422; 1977 c. 418; 1979 c. 34 ss. 46, 53; 1981 c. 390 s. 252; 1985 a. 332 s. 251 (1); 1987 a. 399; 1989 a. 229, 316, 341, 359; 1991 a. 316; 1993 a. 105, 107; 1997 a. 68, 175; 1997 a. 237 s. 727m; 1999 a. 32, 180, 186; 2001 a. 74.89.

CHAPTER 29 WILD ANIMALS AND PLANTS

SUBCHAPTER VI COMMERCIAL ACTIVITIES

29.501 Fur dealers regulated.

Cross-reference: See definitions in s. 24.01.

Cross Reference: See also NR Ch 1—, Wis. adm. code.

NOTE: Chapter 29 was substantially renumbered and revised by 1997 Wis. Act 248. A conversion table showing the location of the content of the prior statutes in the new chapter is located at the end of this chapter. However, there is not a direct correspondence between the current statutes and the prior statutes.

SUBCHAPTER VI COMMERCIAL ACTIVITIES

Cross Reference: See also s. NR 19.01, Wis. adm. code

29.501 Fur dealers regulated. (1) In this section: (a) “Dressed fur” means the dressed or tanned skins of any fur-bearing animal, but does not include fur in the manufactured article.

(b) “Fur auctioneer” means a person duly licensed to sell furs of wild-fur-bearing animals of this or other states or foreign countries.

(c) “Fur dresser or dyer” means a person engaged in the business of dressing, dyeing, tanning and otherwise preparing furs to be made into manufactured articles.

(d) “Itinerant fur buyers” means persons other than resident fur dealers who engage in the business of buying, bartering, trading or otherwise obtaining raw furs from trappers or from fur buyers or fur dealers in retail lots for purposes of resale, except those buying furs at a nationally advertised public auction conducted by a regularly licensed fur auctioneer.

(e) “Raw fur” means the undressed skins or pelts of any fur-bearing animal.

(f) “Resident fur dealer, Class A” means persons having an established post or place of business in the state where they carry on the business of buying, bartering, trading and otherwise obtaining raw or dressed furs, to the amount of \$2,000 or more each year.

(g) “Resident fur dealer, Class B” means persons having an established post or place of business in the state where they carry on the business of buying, bartering, trading and otherwise obtaining raw or dressed furs, to the amount of less than \$2,000 each year.

(2) NO person may engage in the business of buying, bartering, bargaining, trading or otherwise obtaining raw furs until he or she has a license issued under this section.

(3) Licenses shall be issued, subject to s. 29.024 (2g) and (2r), by the department upon application. The form of application and license shall be prescribed by the department.

(5) Persons who have not had a place of business in the state for at least one year immediately preceding the date of application for such license, shall be issued itinerant fur buyers’ licenses only.

(6) Each resident fur dealer, Class A; resident fur dealer, Class B; fur dresser or dyer; itinerant fur dealer or fur auctioneer license shall bear upon its face the date of issuance. The license shall be shown to the department upon request.

(6m) (a) Every person licensed under this section shall keep records of all transactions in the buying, selling, dressing, dyeing or tanning of raw furs by the person. This record shall show the name and address of each person from whom furs were purchased and to whom sold, together with the date of receipt and shipment, and a detailed account as to the number and kinds of raw furs in each shipment received or sold. This record shall be open to the inspection of the department at all reasonable hours. The records shall be kept intact for a period of 2 years after the expiration of any license issued under this section, as to all transactions carried on while the license was effective.

(b) Not less than 10 days before conducting a fur auction, the fur auctioneer shall file with the department evidence of national advertising showing the date and place of the auction.

(c) Within 10 days after conducting any fur auction, the fur auctioneer shall file with the department on forms furnished by it a report of the auction containing the date and place of the auction, the names and addresses of all persons buying furs taken from wild fur-bearing animals, the quantities and kinds of furs bought, and the amounts paid for the furs by each buyer.

(7) All packages of raw furs shipped or transported by any person shall have plainly marked on the outside of the package or shipment the kinds and number of furs in the package or shipment, the license number, and the name of the consignor and the consignee.

(8) No person on the person’s own behalf or as an agent for any person may receive for shipment or cause to be received for shipment out of or in the state, any package of fur or furs unless the contents are plainly marked on the outside of the package as to the number and kinds of fur contained in the package, the license number, and the address of the consignor and consignee.

(9) Nothing in this section prohibits any person from buying raw or dressed furs for the purpose of making garments for himself or herself or a member of his or her family, but the person shall apply to the department for a permit to buy the furs.

(9m) This section applies to the raw furs and dressed furs of fur-bearing animals that are subject to regulation under ch. 169.

(10) Any person who violates this section shall be fined not more than \$1,000, or imprisoned not more than 9 months, or both. Any person violating sub.

(6m) shall forfeit not more than \$100.

History: 1975 c. 365; 1983 a. 27; 1991 a. 316; 1997 a. 191, 237, 1997 a. 248 ss. 288 to 290; Stats. 1997 s. 29.501; 1999a. 32; 2001 a. 56.

CHAPTER 77

TAXATION OF FOREST CROPLANDS; SALES AND USE TAXES;

SUBCHAPTER III GENERAL SALES AND USE TAX

77.51 Definitions

SUBCHAPTER III GENERAL SALES AND USE TAX

77.51 Definitions. Except where the context requires otherwise, the definitions given in this section govern the construction of terms in this subchapter.

(1) "Business" includes any activity engaged in by any person or caused to be engaged in by any person with the object of gain, benefit or advantage, either direct or indirect, and includes also the furnishing and distributing of tangible personal property or taxable services for a consideration by social clubs and fraternal organizations to their members or others.

(1m) "Cloth diaper" means a cloth diaper used for sanitary purposes.

(2) "Contractors" and "subcontractors" are the consumers of tangible personal property used by them in real property construction activities and the sales and use tax applies to the sale of tangible personal property to them. A contractor engaged primarily in real property construction activities may use resale certificates only with respect to purchases of property which the contractor has sound reason to believe the contractor will sell to customers for whom the contractor will not perform real property construction activities involving the use of such property. In this subsection, "real property construction activities" means activities that occur at a site where tangible personal property that is applied or adapted to the use or purpose to which real property is devoted is affixed to that real property, if the intent of the person who affixes that property is to make a permanent accession to the real property. In this subsection, "real property construction activities" do not include affixing to real property tangible personal property that remains tangible personal property after it is affixed.

(3) "Department" means the department of revenue, its duly authorized employees and agents.

(3m) "Diaper service" means a business primarily engaged in the lease or rental, delivery and laundering of cloth diapers.

(3r) "File" means mail or deliver a document that the department prescribes to the department or, if the department prescribes another method of submitting or another destination, use that other method or submit to that other destination.

(4) (a) Except as provided in par.(cm), "gross receipts" means the total amount of the sale, lease or rental price, as the case may be, from sales at retail of tangible personal property, or taxable services, valued in money, whether received in money or otherwise, without any deduction on account of the following:

1. The cost of the property sold;
2. The cost of the materials used, labor or service cost, interest paid, losses or any other expense;
3. The cost of transportation of the property prior to its sale to the purchaser;

4. Any tax included in or added to the purchase price, including the taxes imposed by s. 78.01 unless the tax is refunded, ss.78.40, 139.02, 139.03 and-139.31, the federal motor fuel tax unless the tax is refunded and any manufacturers' or importers' excise tax; but not including any tax imposed by the United States, any other tax imposed by this state or any tax imposed by any municipality of this state upon or with respect to retail sales whether imposed upon the retailer or the consumer if that federal, state or municipal tax is measured by a stated percentage of sales price or gross receipts or the federal communications tax imposed upon the services set forth in s. 77.52 (2) (a) 5. For purposes of the sales tax, if a retailer establishes to the satisfaction of the department that the sales tax imposed by this subchapter has been added to the total amount of the sales price and has not been absorbed by the retailer, the total amount of the sales price shall be the amount received exclusive of the sales tax imposed. For the purpose of this subdivision, a tax shall be deemed "imposed upon or with respect to retail sales" only if the retailer is the person who is

required to make the payment of the tax to the governmental unit levying the tax.

(b) "Gross receipts" shall not include:

1. Cash or term discounts allowed and taken on sales.

2. Such part of the sales price as is refunded in cash or credit as a result of property returned or adjustments in the sales price after the sale has been completed, provided the seller has included the said refunded receipts in a prior return made by such seller and has paid the tax thereon; and provided the seller has returned to the purchaser in cash or credit any and all tax previously paid by the purchaser on the amount of such refund at the time of the purchase.

3. In all transactions, except those to which subd. 7. applies, in which an article of tangible personal property is traded toward the purchase of an article of greater value, the gross receipts shall be only that portion of the purchase price represented by the difference between the full purchase price of the article of greater value and the amount allowed for the article traded.

3m. If a person who purchases a motor vehicle presents a statement issued under s. 218.0171 (2) (cq) to the seller at the time of purchase, and the person presents the statement within 60 days from the date of receiving a refund under s. 218.0171 (2) (b) 2. b., the trade-in amount specified in the statement issued under s. 218.0171 (2) (cq), but not to exceed the gross receipts from the sale of the motor vehicle. This subdivision applies only to the first motor vehicle purchased by a person after receiving a refund under s. 218.0171 (2)(b) 2. b.

4. In the case of accounts which are found to be worthless and charged off for income or franchise tax purposes, a retailer is relieved from liability for sales tax. A retailer who has previously paid the sales tax on such accounts may take as a deduction from the measure of the tax the amount found to be worthless and this deduction must be taken from the measure of the tax in the period in which said account is found to be worthless or within a reasonable time thereafter.

5. Transportation charges separately stated, if the transportation occurs after the sale of the property is made to the purchaser.

6. Thirty-five percent of the sale price of a new mobile home that is a primary housing unit under s. 340.01 (29) or of a new mobile home that is transported in 2 unattached sections if the total size of the combined sections, not including additions and attachments, is at least 984 square feet measured when the sections are ready for transportation. No credit may be allowed for trade-ins under subd.3. or sub.(15) @) 4. This subdivision does not apply to lease or rental.

7. For the sale of a manufactured building, as defined in s. 101.71 (6); at the retailer's option, except that after a retailer chooses an option, the retailer may not use the other option for other sales without the department's written approval; either 35% of the gross receipts or an amount equal to the gross receipts minus the cost of the materials that become an ingredient or component part of the building.

(c) "Gross receipts" includes: 1. All receipts, cash, credits and property except as provided in par. (b) 3.

2. Any services that are a part of the sale of tangible personal property, including any fee, service charge, labor charge or other addition to the price charged a customer by the retailer which represents or is in lieu of a tip or gratuity.

3. The entire sales price of credit transactions in the reporting period in which the sale is made without reduction in the amount of tax payable by the retailer by reason of the retailer's transfer at a discount the open account, note, conditional sales contract, lease contract or other evidence of indebtedness. No reduction in the amount of tax payable by the retailer is allowable in the event property sold on credit is repossessed except where the entire consideration paid by the purchaser is refunded to the purchaser or where a credit for a worthless account is allowable under par.(b) 4.

4. The price received for labor or services used in installing or applying tangible personal property sold, except the price received for installing or applying property which, when installed or applied, will constitute an addition or capital improvement of real property and provided such amount is separately set forth from the amount received for the tangible personal property.

5. If a lessor of tangible personal property reimbursed the vendor for sales tax on the sale of the property by the vendor to the lessor, the tax due from the lessor on the rental receipts may be offset by a credit equal to, but not exceeding, the tax otherwise due on the rental receipts from this property for the reporting period. The credit shall expire when the cumulative rental receipts equal the sales price upon which the vendor paid sales taxes to this state. If a purchaser of tangible personal property reimbursed the vendor of the property for sales tax on the sale and subsequently, prior to making any use of the property other than retention, demonstration or display while holding it for sale or rental, makes a taxable sale of the property, the tax due on the taxable sale may be offset by the tax reimbursed.

(cm) "Gross receipts" means the portion of the sales price attributable to taxable goods if exempt food, food products or beverages are packaged with other goods by a person other than a retailer before a sale to a final consumer and if less than 50% of the sales price of the goods packaged together is attributable to goods that are exempt under s. 77.54 (20).

(d) The department may, in cases where it is satisfied that an undue hardship would otherwise result, permit the reporting of "gross receipts" on some basis other than the accrual basis.

(5) For purposes of subs.(13) (e) and (f) and (14) (L) and s. 77.52 (2m) "incidental" means depending upon or appertaining to something else as primary; something necessary, appertaining to, or depending upon another which is termed the principal; something incidental to the main purpose of the service. Tangible personal property transferred by a service provider is incidental to the service if the purchaser's main purpose or objective is to obtain the service rather than the property, even though the property may be necessary or essential to providing the service.

(6) "In this state" or "in the state" means within the exterior limits of the state of Wisconsin.

(7) "Lease" includes rental, hire and license.

(8) "Newspaper" means those publications which are commonly understood to be newspapers and which are printed and distributed periodically at daily, weekly or other short intervals for the dissemination of current news and information of a general character and of a general interest to the public. In addition, any publication which qualifies as a newspaper under s. 985.03 (1) is a newspaper. "Newspaper" also includes advertising supplements if they are printed by a newspaper and distributed as a component part of one of that newspaper's publications or if they are printed by a newspaper or a commercial printer and sold to a newspaper for inclusion in publications of that newspaper. A "newspaper" does not include handbills, circulars, flyers, or the like, advertising supplements not described in this subsection which are distributed with a newspaper, nor any publication which is issued to supply information on certain subjects of interest to particular groups, unless such publication otherwise qualifies as a newspaper within this subsection. In this subsection, advertising is not considered news of a general character and of a general interest.

(9) "Occasional sales" includes: (a) Isolated and sporadic sales of tangible personal property or taxable services where the infrequency, in relation to the other circumstances, including the sales price and the gross profit, support the inference that the seller is not pursuing a vocation, occupation or business or a partial vocation or occupation or part-time business as a vendor of personal property or taxable services. No sale of any tangible personal property or taxable service may be deemed an occasional sale if at the time of such sale the seller holds or is required to hold a seller's permit, except that this provision does not apply to an organization required to hold a seller's permit solely for the purpose of conducting bingo games and except as provided in par.(am).

(am) The sale of personal property, other than inventory held for sale, previously used by a seller to conduct its trade or business at a location after that person has ceased actively operating in the regular course of business as a seller of tangible personal property

or taxable services at that location, even though the seller holds a seller's permit for one or more other locations.

(e) Five or fewer auctions that are the sale of personal farm property or household goods and that are held by the same auctioneer at the same location during the year. In this paragraph, with respect to indoor locations, "location" means a building, except that in the case of a shopping center or a shopping mall "location" means a store.

(10) "Person" includes any natural person, firm, partnership, limited liability company, joint venture, joint stock company, association, public or private corporation, the United States, the state, including any unit or division of the state, any county, city, village, town, municipal utility, municipal power district or other governmental unit, cooperative, estate, trust, receiver, personal representative, any other fiduciary, and any representative appointed by order of any court or otherwise acting on behalf of others. "Person" also includes the owner of a single-owner entity that is disregarded as a separate entity under ch. 71.

(11) "Printing" and "imprinting" include lithography, photolithography, rotogravure, gravure, letterpress, silk screen printing, multilithing, multigraphing, mimeographing, photostating, steel die engraving and similar processes.

(12) "Purchase" includes: (a) Any transfer of title, possession, ownership, enjoyment, or use by: cash or credit transaction, exchange, barter, lease or rental, conditional or otherwise, in any manner or by any means whatever of tangible personal property for a consideration;

(b) A transaction whereby the possession of property is transferred but the seller retains the title as security for the payment of the price.

(13) "Retailer" includes: (a) Every seller who makes any sale of tangible personal property or taxable service.

(am) Any person making any retail sale of a motor vehicle, aircraft, snowmobile, mobile home not exceeding 45 feet in length, trailer, semi-trailer, all-terrain vehicle or boat registered or titled, or required to be registered or titled, under the laws of this state or of the United States.

(b) Every person engaged in the business of making sales of tangible personal property for storage, use or consumption or in the business of making sales at auction of tangible personal property owned by the person or others for storage, use or other consumption.

(c) When the department determines that it is necessary for the efficient administration of this subchapter to regard any salespersons, representatives, peddlers or canvassers as the agents of the dealers, distributors, supervisors or employers under whom they operate or from whom they obtain the tangible personal property sold by them, irrespective of whether they are making the sales on their own behalf or on behalf of such dealers, distributors, supervisors or employers, the department may so regard them and may regard the dealers, distributors, supervisors or employers as retailers for purposes of this subchapter.

(d) Every wholesaler to the extent that the wholesaler sells tangible personal property to a person other than a seller as defined in sub.(17) provided such wholesaler is not expressly exempt from the sales tax on such sale or from collecting the use tax on such sale.

(e) A person selling tangible personal property to a service provider who transfers the property in conjunction with the selling, performing or furnishing of any service and the property is incidental to the service, unless the service provider is selling, performing or furnishing services under s. 77.52 (2) (a) 7., 10., 11. and 20. This subsection does not apply to sub. (2).

(f) A service provider who transfers tangible personal property in conjunction with but not incidental to the selling, performing or furnishing of any service and a service provider selling, performing or furnishing services under s. 77.52 (2) (a) 7., 10., 11. and 20. This subsection does not apply to sub. (2).

(i) A person selling materials or supplies to barbers, beauty shop operators or bootblacks for use by them in the performance of their services.

(j) A person selling materials and supplies to producers of X-ray films.

(k) As respects a lease, any person deriving rentals from a lease of tangible personal property situated in this state.

(m) A person selling tangible personal property to a veterinarian to be used or furnished by the veterinarian in the performance of services in some manner related to domestic animals, including pets or poultry.

(n) A person selling household furniture, furnishings, equipment, appliances or other items of tangible personal property to a landlord for use by tenants in leased or rented living quarters.

(o) A person selling medicine for animals to a veterinarian. As used in this paragraph, "animal" includes livestock, pets and poultry.

(13g) Except as provided in sub.(13h), "retailer engaged in business in this state", unless otherwise limited by federal statute, for purposes of the use tax, means any of the following:

(a) Any retailer owning any real property in this state or leasing or renting out any tangible personal property located in this state or maintaining, occupying or using, permanently or temporarily, directly or indirectly, or through a subsidiary, or agent, by whatever name called, an office, place of distribution, sales or sample room or place, warehouse or storage place or other place of business in this state.

(b) Any retailer having any representative, agent, salesperson, canvasser or solicitor operating in this state under the authority of the retailer or its subsidiary for the purpose of selling, delivering or the taking of orders for any tangible personal property or taxable services.

(13h) "Retailer engaged in business in this state", notwithstanding sub.

(13g), beginning on the applicable date does not include a foreign corporation that is the publisher of printed materials the only activities of which in this state do not exceed the storage of its raw materials for any length of time in this state in or on property owned by a person other than the foreign corporation and the delivery of its raw materials to another person in this state if that storage and delivery are for printing by that other person, and the purchase from a printer of a printing service or of printed materials in this state for the publisher and the storage of the printed materials for any length of time in this state in or on property owned by a person other than the publisher and do not exceed maintaining, occupying and using, directly or by means of another person, a place that is in this state, that is not owned by the publisher and that is used for the distribution of printed materials. In this subsection, "applicable date" for publishers of books and periodicals other than catalogs means January 1, 1980, and for all other publishers means January 1, 1990. In this subsection "raw materials" means tangible personal property which becomes an ingredient or component part of the printed materials or which is consumed or destroyed or loses its identity in the printing of the printed materials.

(13r) Any person purchasing from a retailer as defined in sub.(13) shall be deemed the consumer of the tangible personal property or services purchased.

(14) "Sale", "sale, lease or rental", "retail sale", "sale at retail", or equivalent terms include any one or all of the following: the transfer of the ownership of, title to, possession of, or enjoyment of tangible personal property or services for use or consumption but not for resale as tangible personal property or services and includes:

(a) Any sale at an auction in respect to tangible personal property which is sold to a successful bidder. The proceeds from the sale of property sold at auction which is bid in by the seller and on which title does not pass to a new purchaser shall be deducted from the gross proceeds of the sale and the tax paid only on the net proceeds.

(b) The furnishing or distributing of tangible personal property or taxable services for a consideration by social clubs and fraternal organizations to their members or others.

(c) A transaction whereby the possession of tangible personal property is transferred but the seller retains the title as security for the payment of the price.

(d) The delivery in this state of tangible personal property by an owner or former owner thereof or by a factor, or agent of such owner, former owner or factor, if the delivery is to a consumer or person for redelivery to a consumer, pursuant to a retail sale made by a retailer not engaged in business in this state. The person making the delivery shall include the retail selling price of the property in that person's gross receipts.

(f) The furnishing, preparing or serving for consideration of food, meals, confections or drinks.

(g) A sale of tangible personal property to a contractor or subcontractor for use in the performance of contracts with the United States or its instrumentalities for the construction of improvements on or to real property.

(h) A transfer for a consideration of the title or possession of tangible personal property which has been produced, fabricated or printed to the special order of the customer or of any publication.

(i) Sales of building materials, supplies and equipment to owners, contractors, subcontractors or builders for the erection of buildings or structures or the alteration, repair or improvement of real property. Such transactions are deemed retail sales in whatsoever quantity sold.

(j) The granting of possession of tangible personal property by a lessor to a lessee, or to another person at the direction of the lessee. Such a transaction is deemed a continuing sale in this state by the lessor for the duration of the lease as respects any period of time the leased property is situated in this state, irrespective of the time or place of delivery of the property to the lessee or such other person.

(k) Any sale of tangible personal property to a purchaser even though such property may be used or consumed by some other person to whom such purchaser transfers the tangible personal property without valuable consideration, such as gifts, and advertising specialties distributed gratis apart from the sale of other tangible personal property or service.

(L) Transfers by a service provider of tangible personal property in conjunction with but not incidental to the selling, performing or furnishing of any service, and transfers by a service provider selling, performing or furnishing services under s. 77.52 (2) (a) 7., 10., 11. and 20. This subsection does not apply to sub. (2).

(14g) "Sale" does not include: (a) The transfer of property to a corporation upon its organization solely in consideration for the issuance of its stock;

(b) The contribution of property to a newly formed partnership solely in consideration for a partnership interest therein;

(bm) The contribution of property to a limited liability company upon its organization solely in consideration for a membership interest;

(c) The transfer of property to a corporation, solely in consideration for the issuance of its stock, pursuant to a merger or consolidation; (cm) The transfer of property to a limited liability company, solely in consideration for a membership interest, pursuant to a merger;

(d) The distribution of property by a corporation to its stockholders as a dividend or in whole or partial liquidation;

(e) The distribution of property by a partnership to its partners in whole or partial liquidation;

(em) The distribution of property by a limited liability company to its members in whole or partial liquidation;

(f) Repossession of property by the seller from the purchaser when the only consideration is cancellation of the purchaser's obligation to pay the remaining balance of the purchase price;

(fm) The transfer of transmission facilities, as defined in s. 196.485 (1) (h), to a transmission company, as defined in s. 196.485 (1) (ge), after the organizational start-up date, as defined in s. 196.485 (1) (dv), of such company in exchange for securities, as defined in s. 196.485 (1) (fe);

(g) The transfer of property in a reorganization as defined in section 368 of the internal revenue code in which no gain or loss is recognized for franchise or income tax purposes; or

(h) Any transfer of all or substantially all the property held or used by a person in the course of an activity requiring the holding of a seller's permit, if after the transfer the real or ultimate ownership of the property is substantially similar to that which existed before the transfer. For the purposes of this section, stockholders, bondholders, partners, members or other persons holding an interest in a corporation or other entity are regarded as having the real or ultimate ownership of the property of the corporation or other entity. In this paragraph, "substantially similar" means 80% or more of ownership.

(14r) A sale or purchase involving transfer of ownership of property shall be deemed to have been completed at the time and place when and where possession is transferred by the seller or the seller's agent to the purchaser or the purchaser's agent, except that

for purposes of this subsection a common carrier or the U.S. postal service shall be deemed the agent of the seller, regardless of any f.o.b. point and regardless of the method by which freight or postage is paid.

(15) (a) Except as provided in par.(cm), "sales price" means the total amount for which tangible personal property is sold, leased or rented, valued in money, whether paid in money or otherwise, without any deduction on account of any of the following:

1. The cost of the property sold.
2. The cost of the materials used, labor or service cost, losses or any other expenses.

3. The cost of transportation of the property prior to its purchase.

4. Any tax included in or added to the purchase price including the taxes imposed by s. 78.01 unless the tax is refunded, ss. 78.40, 139.02, 139.03 and 139.31 and the federal motor fuel tax unless the tax is refunded and including also any manufacturers' or importers' excise tax: but not including any tax imposed by the United States, any other tax imposed by this state, or any tax imposed by any municipality of this state upon or with respect to retail sales whether imposed on the retailer or consumer, if that federal, state or municipal tax is measured by a stated percentage of sales price or gross receipts, and not including the federal communications tax imposed upon the services set forth in s. 77.52 (2) (a) 5. For the purpose of this subdivision, a tax shall be deemed "imposed upon or with respect to retail sales" only if the retailer is the person who is required to make the payment of the tax to the governmental unit levying the tax.

(b) "Sales price" shall not include any of the following:

1. Cash discounts allowed and taken on sales.
2. The amount charged for property returned by customers when that entire amount is refunded either in cash or in credit.
3. Transportation charges separately stated, if the transportation occurs after the purchase of the property is made.

4. In all transactions, except those to which subd. 6. applies, in which an article of tangible personal property is traded toward the purchase of an article of greater value, the sales price shall be only that portion of the purchase price represented by the difference between the full purchase price of the article of greater value and the amount allowed for the article traded.

4m. If a person who purchases a motor vehicle presents a statement issued under s. 218.0171 (2) (cq) to the seller at the time of purchase, and the person presents the statement within 60 days from the date of receiving a refund under s. 218.0171 (2) (b) 2. b., the trade-in amount specified in the statement issued under s. 218.0171 (2) (cq), but not to exceed the sales price of the motor vehicle. This subdivision applies only to the first motor vehicle purchased by a person after receiving a refund under s. 218.0171 (2) (b) 2. b.

5. Thirty-five percent of the total amount for which a new mobile home that is a primary housing unit under s. 340.01 (29) is sold. No credit may be allowed for trade-ins under subd. 4. or sub. (4) (b) 3. This subdivision does not apply to lease or rental.

6. For the sale of a manufactured building, as defined in s. 101.71 (6); at the retailer's option, except that after a retailer chooses an option, the retailer may not use the other option for other sales without the department's written approval; either 35% of the sales price or an amount equal to the sales price minus the cost of the materials that become an ingredient or component part of the building.

(c) "Sales price" includes all of the following:

1. Any services that are a part of the sale of tangible personal property, including any fee, service charge, labor charge or other addition to the price charged a customer by the retailer which represents or is in lieu of a tip or gratuity.

2. The amount charged for labor or services rendered in installing or applying tangible personal property sold, except the price received for installing or applying property which, when installed or applied, will constitute an addition or capital improvement of real property and provided such amount is separately set forth from the amount charged for the tangible personal property.

(cm) "Sales price" means the portion of the sales price attributable to taxable goods if exempt food, food products or beverages are packaged with other goods by a person other than a retailer before a sale to a final consumer and if less than 50% of

the sales price of the goods packaged together is attributable to goods that are exempt under s. 77.54 (20).

(16) "Sales tax" means the tax imposed by s. 77.52.

(17) "Seller" includes every person selling, leasing or renting tangible personal property or selling, performing or furnishing services of a kind the gross receipts from the sale, lease, rental, performance or furnishing of which are required to be included in the measure of the sales tax.

(17m) "Service address" means the location of the telecommunications equipment from which telecommunications services are originated or at which telecommunications services are received by a buyer. If this is not a defined location; as in the case of mobile phones, paging systems, maritime systems, air-to-ground systems and the like: "service address" means the location where a buyer makes primary use of the telecommunications equipment as defined by telephone number, authorization code or location where bills are sent.

(17r) "Sign" means write one's signature or, if the department prescribes another method of authenticating, use that other method.

(18) "Storage" includes any keeping or retention in this state of tangible personal property purchased from a retailer for any purpose except sale in the regular course of business.

(20) "Tangible personal property" means all tangible personal property of every kind and description and includes electricity, natural gas, steam and water and also leased property affixed to realty if the lessor has the right to remove the property upon breach or termination of the lease agreement, unless the lessor of the property is also the lessor of the realty to which the property is affixed. "Tangible personal property" also includes coins and stamps of the United States sold or traded as collectors' items above their face value and computer programs except custom computer programs.

(21) "Taxpayer" means the person required to pay, collect, account for or who is otherwise directly interested in the taxes imposed by this subchapter.

(21m) "Telecommunications services" means sending messages and information transmitted through the use of local, toll and wide-area telephone service; channel services; telegraph services; teletypewriter; computer exchange services; cellular mobile telecommunications service; specialized mobile radio; stationary two-way radio; paging service; or any other form of mobile and portable one-way or two-way communications; or any other transmission of messages or information by electronic or similar means between or among points by wire, cable, fiber optics, laser, microwave, radio, satellite or similar facilities. "Telecommunications services" does not include sending collect telecommunications that are received outside of the state.

(22) (a) "Use" includes the exercise of any right or power over tangible personal property or taxable services incident to the ownership, possession or enjoyment of the property or services, or the results produced by the services, including installation or affixation to real property and including the possession of, or the exercise of any right or power over tangible personal property by a lessee under a lease, except that "use" does not include the activities under sub. (18).

(b) In this subsection "enjoyment" includes a purchaser's right to direct the disposition of property, whether or not the purchaser has possession of the property. "Enjoyment" also includes, but is not limited to, having shipped into this state by an out-of-state supplier printed material which is designed to promote the sale of property or services, or which is otherwise related to the business activities, of the purchaser of the printed material or printing service.

(23) "Use tax" means the tax imposed by s. 77.53.

History: 1973 c. 333; 1975 c. 39, 41, 99, 224; 1975 c. 413 s. 18; 1977 c. 29, 418; 1979 c. 1 ss. 57 to 59, 61, 62; 1979 c. 174; 1981 c. 20; 1981 c. 79 s. 17; 1983 a. 23, 27; 1983 a. 189 ss. 92 to 108, 329 (12); 1983 a. 510, 538; 1983 a. 544 ss. 13 to 46, 47 (1) (b); 1985 a. 29, 332; 1987 a. 27, 399; 1989 a. 31, 335, 336; 1991 a. 39, 269, 316; 1993 a. 16, 112, 184; 1997 a. 27, 237; 1999 a. 9, 83; 2001 a. 45, 102.

A tax on personal property assets was upheld since the seller had a permit under sub.(10) (a) [now sub.(9) (a)]. *Ramrod, Inc. v. DOR*, 64 Wis. 2d 499, 219 N.W.2d 604 (1974).

Under sub.(4) (i) [now sub.(14) (i)], the sale of building materials included the sale of an assembly kit to a dealer for construction of a silo; the dealer is a contractor under sub.(18) [now sub.(2)]. When the silo was erected on owned land, it was real property for purposes of this section. *DOR v. Smith Harvestore Products*, 72 Wis. 2d 60, 240 N.W.2d 357 (1976).

A retail sale within meaning of sub.(4) [now sub.(14)] is the final and ultimate employment of the property that results in its withdrawal from the marketplace. The sale of gold to dentists for use in dental work was not a taxable sale. DOR v. Milwaukee Refining Corp. 80 Wis. 2d 44, 257 N.W.2d 855 (1977).

Provisions of the UCC as to the time title passes are inapplicable to sales tax law. Application of s. 77.51 is discussed. Harold W. Fuchs Agency, Inc. v. DOR, 91 Wis. 2d 283, 282 N.W.2d 625 (Ct. App. 1979).

The sale of business assets of a taxpayer who held a seller's permit was not exempted as an "occasional sale" under sub.(10) (a) [now sub.(9) (a)].

Constitutionality is discussed. Midcontinent Broadcasting Co. v. DOR, 98 Wis. 2d 379, 297 N.W.2d 191 (1980).

A manhole fabricator was not engaged in real property construction activities under sub.(2). Advance Pipe & Supply v. DOR. 128 Wis. 2d 431, 383 N.W.2d 502 (Ct. App. 1986).

Photocopying expenses billed to a law firm's clients are not subject to sales tax. Frisch, Dudek & Slattery v. DOR, 133 Wis. 2d 444, 396 N.W.2d 355 (Ct. App. 1986).

CHAPTER 95 ANIMAL HEALTH

95.68 Animal markets.
95.69 Animal dealers.

Cross-reference: See definitions ins. 93.01.

95.68 Animal markets. (1) DEFINITIONS. In this section:

(ag) "Animal market" means any premises which are open to the public for the purpose of trading in livestock or wild animals and on which facilities are maintained for their yarding, feeding and watering prior to sale.

(ai) "Animal transport vehicle" has the meaning given in s. 95.71 (1) (dm).

(am) "Equine animal" means a horse, mule, zebra, donkey or ass.

(b) "Equine market" means an animal market that is open to the public solely for the purpose of trading in equine animals.

(d) "Livestock" means bovine animals, sheep, goats, swine, farm-raised deer and equine animals.

(g) "Wild animal" means a wild animal that is subject to regulation under ch. 169.

(2) **LICENSE.** Except as provided in sub. (2m), no person may operate an animal market without an annual license from the department. An animal market license expires on June 30 annually. A separate license is required for every animal market. A license is not transferable between persons or locations.

(2m) **EXEMPTIONS.** (a) A person is not required to obtain a license under sub. (2) to operate an occasional auction sale sponsored by a livestock breeder association or a youth agricultural organization if records of the transactions at the sale are maintained by an auctioneer registered under ch. 480 or by an animal dealer licensed under s. 95.69.

(b) The department may promulgate rules to exempt groups of persons from the licensing requirement under sub. (2) or the registration requirement under sub. (7) or both.

(3) **APPLICATION.** An application for a license under sub. (2) shall be made on a form provided by the department and shall include information reasonably required by the department for licensing purposes. An application shall be accompanied by the applicable fees and surcharges required under subs. (4) and (5).

(4) **FEES.** Unless the department specifies a different fee by rule, the fee for a license issued under this section is the following amount:

(a) For an animal market that is not an equine market and that conducted sales at the market on at least 5 days during the year immediately preceding the year for which the license is issued, \$150.

(b) For an animal market that is not an equine market and that conducted sales on fewer than 5 days during the year immediately preceding the year for which the license is issued, \$75.

(c) For an animal market other than one described in par. (a) or (b), \$100.

(5) **SURCHARGE AND PAST FEES.** (a) An applicant for a license under sub. (2) shall pay a license fee surcharge of \$100 if the department determines that within 365 days prior to submitting the license application the applicant did any of the following:

1. Operated an animal market without a license in violation of sub. (2).

1m. Operated a livestock market, as defined in s. 95.68 (1) (e), 1999 stats., without a license in violation of s. 95.68 (2), 1999 stats.

2. Operated an unregistered animal transport vehicle in violation of sub. (7).

2m. Operated an unregistered livestock vehicle, as defined in s. 95.71 (1) (g), 1999 stats., in violation of s. 95.68 (7), 1999 stats.

(b) In addition to the surcharge under par. (a), an applicant for a license under sub. (2) shall pay the fees due for the year in which the applicant was in violation.

(c) The payment of the surcharge and fees under this subsection does not relieve the applicant of other civil or criminal liability that may result from the failure to obtain a license or from the operation of an unregistered vehicle, but does not constitute evidence of a violation of a law.

(6) **LICENSE CONTINGENT ON FEES.** The department may not issue or renew a license under sub. (2) unless the applicant pays all fees and surcharges that are due under subs. (4) and (5) as set forth in a statement from the department. The department shall refund a fee or surcharge paid under protest if the department determines that the fee or surcharge was not due as a condition of licensing under this section. If a fee or surcharge is paid by check, a license issued in reliance upon that check is void if the check is not honored.

(7) **ANIMAL TRANSPORT VEHICLE REGISTRATION.** No animal market operator may operate an animal transport vehicle unless the animal transport vehicle is registered with the department in the name of the animal market operator. The animal transport vehicle shall be registered on a form provided by the department. The registration shall include a description and the serial number of the animal transport vehicle.

(8) **RULES.** The department may promulgate rules to specify license fees under sub. (4) or to regulate the operation of animal markets, including rules related to market operator qualifications, market construction and maintenance, construction and maintenance of animal transport vehicles, identification of animal transport vehicles, disease sanitation, humane treatment of animals, identification of animals, record keeping, reports to the department and compliance with applicable financial security requirements under state or federal law.

(9) **PENALTIES.** A person conducting a business regulated by this section after revocation of his or her license shall be fined not less than \$500 nor more than \$1,000 or imprisoned not to exceed 6 months or both.

History: 1993 a. 16; 1995 a. 79, 95; 2001 a. 56.

Cross Reference: See also ch. ATCP 12, Wis. adm. code.

95.69 Animal dealers. (1) DEFINITIONS. In this section:

(c) "Animal dealer" means a person who, as principal or agent, engages in the business of buying for resale or for slaughter, selling or exchanging livestock or wild animals. "Animal dealer" does not include any of the following:

1. An animal dealer employee.

2. The operator of a farm who sells livestock if the operator keeps them on the farm solely for dairy, breeding or feeding purposes and the operator is not otherwise engaged in the business of buying them for resale, slaughter, sale or exchange.

2m. A person holding a license issued under s. 169.15, 169.18, 169.19, or 169.26 who sells wild animals if the person keeps them solely for breeding or feeding purposes and the person is not otherwise engaged in the business of buying them for resale, slaughter, sale or exchange.

3. An auctioneer registered under ch. 480 who conducts any of the following:

a. A farm sale at which no livestock is sold on a consignment basis.

b. A sale conducted at a state, county or district fair or a breeder association show.

c. A sale conducted by a youth agricultural organization.

(d) "Animal dealer employee" means an employee of a licensed animal dealer, who does business in the name of the licensed animal dealer.

(e) "Animal market" has the meaning given in s. 95.68 (1) (ag).

(f) "Animal transport vehicle" has the meaning given in s. 95.71 (1) (dm).

(g) "Livestock" has the meaning given in s. 95.68 (1) (d).

(h) "Wild animal" has the meaning given in s. 95.68 (1) (g).

(2) **LICENSE.** No person may operate as an animal dealer without an annual license from the department, except that no license is required of a person licensed as an animal market operator under s. 95.68. An animal dealer license expires on June 30 annually. An animal dealer license is not transferable.

(2m) EXEMPTION. The department may promulgate rules to exempt groups of persons from the licensing requirement under sub. (2) or the registration requirement under sub. (7) or both.

(3) APPLICATION. An application for a license under sub. (2) shall be made on a form provided by the department and shall include information reasonably required by the department for licensing purposes. An application shall be accompanied by the applicable fees and surcharges required under subs. (4) and (5).

(4) FEES. Unless the department specifies a different fee by rule, the fee for an animal dealer license is \$75.

(5) SURCHARGE AND PAST FEES. (a) An applicant for a license under sub. (2) shall pay a license fee surcharge of \$100 if the department determines that within 365 days prior to submitting the license application the applicant did any of the following:

1. Operated as an animal dealer without a license in violation of sub. (2).

1m. Operated as a livestock dealer, as defined in s. 95.69 (1) (c), 1999 stats., without a license in violation of s. 95.69 (2), 1999 stats.

2. Operated an unregistered animal transport vehicle in violation of sub. (7).

2m. Operated an unregistered livestock vehicle, as defined in s. 95.71 (1) (g), 1999 stats., in violation of s. 95.69 (7), 1999 stats.

(b) In addition to the surcharge under par. (a), an applicant for a license under sub. (2) shall pay the fees due for the year in which the applicant was in violation.

(c) The payment of the surcharge and fees under this subsection does not relieve the applicant of other civil or criminal liability that may result from the failure to obtain a license ~~or~~ from the operation of an unregistered vehicle **but** does not constitute evidence of a violation of a law.

(6) LICENSE CONTINGENT ON FEES. The department may not issue or renew a license under sub. (2) unless the applicant pays all fees and surcharges that are due under subs. (4) and (5) as set forth

in a statement from the department. The department shall refund a fee or surcharge paid under protest if the department determines that the fee or surcharge was not due **as** a condition of licensing under this section. If a fee or surcharge is paid by check, a license issued in reliance upon that check is void if the check **is** not honored.

(7) ANIMAL TRANSPORT VEHICLE REGISTRATION. No animal dealer may operate an animal transport vehicle unless the animal transport vehicle is registered with the department in the name of the animal dealer. The animal transport vehicle shall be registered in the name of the animal dealer on a form provided by the department. The registration shall include a description and the serial number of the animal transport vehicle.

(8) RULES. The department may promulgate rules to specify license fees under sub. (4) or to regulate animal dealers, including rules related to animal dealer qualifications, construction and maintenance of animal transport vehicles, identification of animal transport vehicles, disease sanitation, humane treatment of animals, identification of animals, record keeping, reports to the department and compliance with applicable financial security requirements under state or federal law.

(8m) TRANSACTION RECORDS. ~~An~~ auctioneer registered under ch. 480 who sells livestock or **wild** animals and who is not required to obtain a license under this section shall make records of the sales available to the department upon request for disease investigation purposes.

(9) PENALTIES. A person conducting a business regulated by this section after revocation of his or her license shall be fined not less than \$500 nor more than \$1,000 or imprisoned not to exceed 6 months or both.

History: 1993 a. 16; 1995 a. 95; 2001 a. 56.

Cross Reference: See also ch. ATCP 12, Wis. adm. code.

CHAPTER 100

MARKETING; TRADE PRACTICES

100.37 Hazardous substances act.
100.47 Sales of farm equipment.

Cross-reference: See definitions in s. 93.01

100.37 Hazardous substances act. (1) In this section: (a) "Corrosive" means any substance which in contact with living tissue will cause destruction of tissue by chemical action, but does not refer to action on inanimate surfaces.

(b) "Extremely flammable" applies to any substance which has a flash point at or below 20 degrees Fahrenheit as determined by the Tagliabue open cup tester, and "flammable" applies to any substance which has a flash point of above 20 degrees to 80 degrees Fahrenheit, as determined by the Tagliabue open cup tester; "combustible" applies to any substance which has a flash point above 80 degrees Fahrenheit to 150 degrees as determined by the Tagliabue open cup tester, except that flammability or combustibility of solids and of the contents of self-pressurized containers shall be determined by methods as prescribed under the federal hazardous substances act (15 USC 1261 et seq) or found by the department to be generally applicable to such materials or containers, and established by rules adopted by the department, which shall also define "flammable", "combustible" and "extremely flammable" in accordance with such methods.

(c) "Hazardous substance" means:

1. Any substance or mixture of substances, including a toy or other article intended for use by children, which is toxic, is corrosive, is an irritant, is a strong sensitizer, is flammable or combustible, or generates pressure through decomposition, heat or other means, if such substance or mixture of substances may cause substantial personal injury or substantial illness during or as a proximate result of any customary or reasonably foreseeable handling or use, including reasonably foreseeable ingestion by children.

2. Any substances which the department by rule finds, pursuant to sub.(2) (a), meet the requirements of subd. 1.

2m. Any substance included under sub.(2) (e) 2.

3. Any radioactive substance, if, with respect to such substance as used in a particular class of article or as packaged, the department determines by rule that the substance is sufficiently hazardous to require labeling in accordance with this section in order to protect the public health.

4. Any toy or other article intended for use by children which the department by rule determines in accordance with this section to present an electrical, mechanical or thermal hazard or to contain a toxic substance either in or on the toy or other article.

5. Except as otherwise provided in this section, "hazardous substance" does not apply to pesticides subject to ss. 94.67 to 94.71, to foods, drugs and cosmetics, to bullets or other ammunition, or gun powder for reloading ammunition, nor to substances intended for use as fuels when stored in containers and used in the heating, cooking or refrigeration system of a house, nor does it include any source material, special nuclear material or by-product material as defined in the atomic energy act of 1954, as amended, and regulations of the nuclear regulatory commission under such act.

(d) "Highly toxic" means any substance which falls within any of the following categories: Produces death within 14 days in half or more of a group of 10 or more laboratory white rats each weighing between 200 and 300 grams, at a single dose of 50 milligrams or less per kilogram of body weight, when orally administered; or produces death within 14 days in half or more of a group of 10 or more laboratory white rats each weighing between 200 and 300 grams, when inhaled continuously for a period of one hour or less at an atmosphere concentration of 200 parts per million by volume or less of gas or vapor or 2 milligrams per liter by volume or less of mist or dust, provided such concentration is likely to be encountered by persons when the substance is used in any reasonably foreseeable manner; or produces death within 14 days in half or more of a group of 10 or more rabbits tested in a dosage of 200 milligrams or less per kilogram of body weight, when administered by continuous

contact with the bare skin for 24 hours or less. If the department finds that available data on human experience with any substance indicate results different from those obtained on animals in the above named dosages or concentrations, the human data shall take precedence.

(e) "Immediate container" does not include package liners.

(f) "Irritant" means any substance not corrosive which on immediate, prolonged or repeated contact with normal living tissue will induce a local inflammatory reaction.

(g) "Label" means a display of written, printed or graphic matter upon the immediate container of any substance or upon an article or tag attached thereto in the case of unpackaged articles; and a requirement made by or under authority of this section that any word, statement or other information appear on the label shall not be considered to be complied with unless such word, statement or other information also appears on the outside container or wrapper, if there is any, unless it is easily legible through the outside container or wrapper, and on all accompanying literature where there are directions for use, written or otherwise.

(h) "Misbranded package" or "misbranded package of a hazardous substance" means a hazardous substance in a container intended or suitable for household use, and includes a toy or other article intended for use by children whether or not in package form, which, except as otherwise provided under sub.(2), fails to bear a label:

1. Which states conspicuously the name and place of business of the manufacturer, packer, distributor or seller; the common or usual name, or the chemical name if there is no common or usual name, of the hazardous substance or of each component which contributes substantially to its hazard, unless the department by rule permits or requires the use of a recognized generic name; the signal word "DANGER" on substances which are extremely flammable, corrosive or highly toxic; the signal word "WARNING" or "CAUTION" on all other hazardous substances; an affirmative statement of the principal hazards, such as "Flammable", "Combustible", "Vapor harmful", "Causes burns", "Absorbed through skin" or similar wording descriptive of the hazard; precautionary measures describing the action to be followed or avoided, except when modified by rule of the department pursuant to sub. (2); instruction, when necessary or appropriate, for first-aid treatment; the word "poison" for any hazardous substance which is highly toxic; instructions for handling and storage of packages which require special care in handling or storage; and the statement "Keep out of the reach of children", or its practical equivalent or, if the article is intended for use by children and is not a banned hazardous substance, adequate directions for the protection of children from the hazard; and

2. On which any statements required under subd. 1. are located prominently and are in the English language in conspicuous and legible type in contrast by typography, layout or color with other printed matter on the label.

(hm) "Practitioner" has the meaning given in s. 961.01 (19).

(i) "Radioactive substance" means a substance which emits ionizing radiation.

(j) "Strong sensitizer" means a substance which will cause on normal living tissue, through an allergic or photodynamic process, a hypersensitivity which becomes evident on reapplication of the same substances and which is designated as such by the department. Before designating any substance as a strong sensitizer, the department, upon consideration of the frequency of occurrence and severity of the reaction, shall find that the substance has a significant potential for causing hypersensitivity.

(k) "Toxic" applies to any substance, other than a radioactive substance, which has the capacity to produce personal injury or illness to persons through ingestion, inhalation, or absorption through any body surface.

(lm) (a) An article may be determined to present an electrical hazard if, in normal use or when subjected to reasonably

foreseeable damage or abuse, its design or manufacture may cause personal injury or illness by electric shock.

(b) An article may be determined to present a mechanical hazard if, in normal use or when subjected to reasonably foreseeable damage or abuse, its design or manufacture presents an unreasonable risk of personal injury or illness from any of the following:

1. Fracture, fragmentation or disassembly of the article.
2. Propulsion of the article, or any part or accessory of the article.
3. Points or other protrusions, surfaces, edges, openings or closures.
4. Moving parts.
5. Lack or insufficiency of controls to reduce or stop motion.
6. Self-adhering characteristics of the article.
7. Aspiration or ingestion of the article, or any part or accessory of the article.
8. Instability of the article.

9. Any other aspect of the article's design or manufacture including the capability of producing sounds at a level of 138 decibels or higher.

(c) An article may be determined to present a thermal hazard if, in normal use or when subjected to reasonably foreseeable damage or abuse, its design or manufacture presents an unreasonable risk of personal injury or illness because of heat as from heated parts, substances or surfaces.

(2) (a) Whenever in the judgment of the department such action will promote the objectives of this section by avoiding or resolving uncertainty as to its application, the department may by rule declare to be a hazardous substance, for the purposes of this section, any substance or mixture of substances which it finds meets the requirements of sub.(1)(c) 1.

(b) If the department finds that the requirements of this section are not adequate for the protection of the public health and safety in view of the special hazards presented by any particular hazardous substance, it may by rule establish such reasonable variations or additional requirements as it finds necessary for the protection of the public health and safety.

(c) If the department finds that, because of the size of the package involved or because of the minor hazard presented by the substance contained therein, or for other good and sufficient reasons, full compliance with the labeling requirements otherwise applicable under this section is impracticable or is not necessary for the adequate protection of the public health and safety, it may exempt such substances from these requirements to the extent it determines to be consistent with adequate protection of the public health and safety.

(d) The department may by rule prohibit the sale of a hazardous substance if it finds that notwithstanding cautionary labeling that is or may be required the degree or nature of the hazard involved in the presence or use of such substance is such that the public health and safety can only be protected by keeping such substance out of the channels of commerce in this state.

(e) 1. The department may summarily ban the sale or distribution of any hazardous substance or article if it finds that the hazard to public health or safety is so great that such hazard should not be permitted to continue. The department shall follow the procedure specified in s. 93.18 (3).

2. In addition to subd. 1. and except as provided in subd. 3., all of the following are hazardous substances, possess such a degree of hazard that adequate cautionary labeling cannot be written and may not be sold or distributed:

a. Propyl nitrite, isopropyl nitrite and mixtures containing propyl nitrite or isopropyl nitrite.

b. The nitrous acid esters of all alcohols having the formula of 5 carbon atoms, 12 hydrogen atoms and one oxygen atom including 1-pentyl nitrite, 2-pentyl nitrite, 3-pentyl nitrite, 2-methyl-1-butyl nitrite, 3-methyl-1-butyl nitrite (also known as isoamyl nitrite or isopentyl nitrite), 2-methyl-2-butyl nitrite (also known as tertiary pentyl nitrite), 3-methyl-2-butyl nitrite, 2, 2-dimethylpropyl nitrite (also known as neopentyl nitrite) and mixtures containing more than 5% of 1-pentyl nitrite, 2-pentyl nitrite, 3-pentyl nitrite, 2-methyl-1-butyl nitrite, 3-methyl-1-butyl nitrite, 2-methyl-2-butyl nitrite, 3-methyl-2-butyl nitrite or 2, 2-dimethyl nitrite.

c. Ethyl chloride and ethyl nitrite.

d. Any toy containing elemental mercury.

3. Subdivisions 1. and 2. do not apply to the sale or distribution of isoamyl nitrite (3-methyl-1-butyl nitrite) or ethyl chloride as prescription drugs obtained from, or pursuant to a valid prescription or order of, a practitioner while acting in the course of professional practice.

(f) The department may by rule prescribe the methods of sale of hazardous substances, including but not limited to glues, cements and hobby kit fuels, and may regulate the manner of display and restrict access by the general public to hazardous substances.

(g) The department may by rule prescribe package safety standards, including type of package material and safety closures for hazardous substances and pesticides, and may prohibit the sale of noncomplying or defective packages.

(h) The department may by rule limit or ban the use of any ingredient or combination of ingredients in any hazardous substance if it finds such action necessary to adequately protect the public health and safety.

(3) The following acts and the causing thereof are prohibited:

(a) The sale, or offering or exposing for sale of any misbranded package of a hazardous substance.

(b) The alteration, mutilation, destruction, obliteration or removal of the whole or any part of the label of, or the doing of any other act with respect to, a hazardous substance, if such act is done while the substance is held for sale, and results in the hazardous substance being in a misbranded package.

(c) The sale, or offering or exposing for sale of a hazardous substance in a reused food, drug or cosmetic container or in a container which, though not a reused container, is identifiable as a food, drug or cosmetic container by its labeling or by other identification. The reuse of a food, drug or cosmetic container as a container for a hazardous substance shall be deemed to be an act which results in the hazardous substance being in a misbranded package.

(d) The sale or offering for sale of any hazardous substance contrary to this section or to any rule or order of the department issued under this section.

(e) The sale or offering for sale, in violation of this section, of any article or substance which is a hazardous substance within the meaning of this section or the federal hazardous substances act (15 USC 1261 et seq).

(4) The department may apply to any court of competent jurisdiction for a temporary or permanent injunction restraining any person from violating sub.

(3); irrespective of whether or not there exists an adequate remedy at law.

(5) If the department has reasonable cause to believe that any substance is in violation of this section or poses an imminent hazard to public health or safety, it may deliver to the owner or custodian thereof an order prohibiting the sale or movement of such substance until an analysis or examination has been completed. Such holding order is not effective for more than 14 days from the time of delivery thereof. The substance described in any such holding order may not be sold or moved for any purpose without the approval of the department. If the department, after analysis or examination, determines that the substance described in such order is not in violation of this section, it shall promptly notify the owner or custodian thereof and such notice shall terminate the holding order. If the analysis or examination shows that the substance is in violation of this section, the owner or custodian thereof shall be so notified in writing within the effective time of the holding order. Upon receipt of such notice the owner or custodian may dispose of the substance only as authorized by the department. The owner or custodian of the substance or article may within 10 days of receipt of such notice petition for a hearing as provided in s. 93.18.

(6) Nothing in this section shall affect the application of any law of this state specifically regulating any substance regulated by this section.

(7) Any manufacturer, distributor or retailer of a misbranded or banned package containing a hazardous substance shall, on demand of any person purchasing such products from it, if the package is misbranded at the time of sale or banned, repurchase such product and refund the full purchase price thereof to the purchaser making the demand for refund. If the purchaser is required to return the product to the manufacturer, distributor or

retailer as a condition to the repurchase and refund, the purchaser shall be reimbursed for any reasonable and necessary charges incurred in its return.

(8) Whoever violates this section may be fined not more than \$5,000 or imprisoned not more than one year in the county jail or both.

History: 1975 c. 94 s. 91 (10); 1975 c. 117; 1983 a. 189 ss. 140, 141, 329 (20); 1991 a. 39; 1993 a. 34; 1995 a. 225, 448.

Federal preemption—The consumer product safety act of 1976 and its effect on Wisconsin law. 1977 WLR 813.

100.47 Sales of farm equipment. (1) DEFINITION. In this section, “farm equipment” means a tractor or other machinery used in the business of farming.

(2) SAFETY EQUIPMENT REQUIRED. No person in the business of selling farm equipment may sell farm equipment unless, at the time of sale, the farm equipment is equipped with all of the following:

(a) A power takeoff master shield, if a tractor.

(b) A power takeoff driveline shield extending to the 2nd universal joint, if farm equipment powered by a tractor.

(c) Lights and reflectors meeting the applicable requirements under ch. 347, if farm equipment that can be operated on a highway.

(d) A slow moving vehicle emblem meeting standards and specifications established under s. 347.245, if farm equipment that can be operated on a highway.

(3) DISCLOSURE. If farm equipment subject to sub.(2) (b) is equipped with a power takeoff shield that is not equivalent to the shield installed at the time of manufacture, the person who sells the farm equipment shall so notify the buyer in writing.

(4) EXCEPTIONS. Subsection (2) does not apply to:

(a) Sales of farm equipment to another person in the business of selling farm equipment for the purpose of resale.

(b) Sales of farm equipment for the purpose of salvage.

(c) Sales by auction, unless the auctioneer holds title to the farm equipment being sold.

(5) PENALTY. Any person who violates this section may be required to forfeit not more than \$500 for each violation.

History: 1993 a. 455; 1993 a. 491 s. 142; Stats. 1993 s. 100.47.

CHAPTER 125 ALCOHOL BEVERAGES

SUBCHAPTER I GENERAL PROVISIONS

125.06 License and permit exceptions

NOTE: Chapter 79, laws of 1981, which created this chapter of the statutes, contains extensive notes explaining the revisions. See the 1981 Session Laws

SUBCHAPTER I GENERAL PROVISIONS

125.06 License and permit exceptions. No license or permit is required under this chapter for:

(1) **BREWERS' PREMISES.** The furnishing, by brewers, of fermented malt beverages free of charge to customers, visitors and employees on the brewery premises if the fermented malt beverages are consumed on the brewery premises and are not furnished or consumed in or near any room or place where intoxicating liquor is sold.

(2) **HOSPITALS; PRACTICE OF MEDICINE OR SURGERY.** (a) The use of alcohol beverages in institutions licensed under subchs. I and II of ch. 50 where the beverages are used solely for medicinal, mechanical or scientific purposes.

(b) The use or prescription of alcohol beverages by a person licensed to practice medicine or surgery in the treatment of the sick.

(c) Notwithstanding pars. (a) and (b), a permit to receive shipments of alcohol under s. 125.61 must be obtained before alcohol beverages may be used or prescribed under pars. (a) and (b).

(3) **HOMEMADE WINE OR FERMENTED MALT BEVERAGES.** The manufacture of wine or fermented malt beverages of any alcoholic content by any person at his or her home, farm or place of residence if the wine or fermented malt beverages is to be consumed by that person or his or her family and guests, and if the person manufacturing the wine or fermented malt beverages receives no compensation.

(4) **UNADULTERATED CIDER.** The manufacture or sale of unadulterated apple cider.

(5) **RAILROADS, AIRCRAFT.** The sale of alcohol beverages on any railroad dining, buffet or cafe car or aircraft, while in transit. Except as authorized under s. 125.26 (3m) or 125.51 (3) (dm), alcohol beverages may be consumed in a railroad dining, buffet or cafe car or aircraft only while it is in transit.

(6) **PUBLIC PARKS.** The sale of fermented malt beverages in any public park operated by a county or municipality. Fermented malt beverages shall be sold by officers or employees of the county or municipality under an ordinance, resolution, rule or regulation enacted by the governing body.

(7) **JUDICIAL, PERSONAL REPRESENTATIVE'S, GUARDIAN'S, RECEIVER'S OR TRUSTEE'S SALE.** The sale of alcohol beverages at any judicial, personal representative's or guardian's sale or any sale by a receiver or trustee in insolvency or bankruptcy, where

the estate being administered possesses a license or permit in effect on the date of such sale.

(8) **SALE BY SECURED PARTY.** The sale of alcohol beverages by a secured party in good faith under the terms of a security agreement, if the sale is not for the purpose of avoiding this chapter or ch. 139. The sale must be in the ordinary course of the business of lending money secured by a security interest in alcohol beverages or warehouse receipts or other evidence of ownership. A sale of fermented malt beverages must be made within 15 days after the secured party takes possession of the fermented malt beverages unless the secured party demonstrates good cause why a sale in compliance with s. 409.610 (2) or the security agreement cannot be made within this time period.

(9) **CERAMIC BOTTLE COLLECTORS.** The sale of ceramic commemorative bottles or other uniquely designed decanters which contain intoxicating liquor, by collectors of such containers to other collectors of such containers.

(10) **RAFFLES.** The awarding of alcohol beverages in original, unopened packages, containers or bottles as a prize, in a raffle conducted by an organization licensed to conduct the raffle under ch. 563, to any person who has attained the legal drinking age.

(71) **AUCTION SALES.** The sale by an auction house at public auction of a collection of sealed bottles of intoxicating liquor or unopened beer cans for the purpose of settling an estate or disposing of the collection.

(12) **BED AND BREAKFAST ESTABLISHMENTS.** The provision by a bed and breakfast establishment, as defined under s. 254.61 (1), of not more than 2 complimentary 4-fluid-ounce glasses of wine per day to a person renting a room at the bed and breakfast establishment for consumption on the premises of the bed and breakfast establishment.

(13) **WINE SAMPLING ON "CLASS A" PREMISES.** (a) The provision of wine taste samples of not more than 3 fluid ounces each, free of charge, by a "Class A" licensee to customers and visitors for consumption on the premises. No "Class A" licensee may provide more than 2 taste samples per day to any one person. This subsection applies only between the hours of 10 a.m. and 6 p.m. Notwithstanding s. 125.07 (1) (a) 1., no "Class A" licensee may provide taste samples under this subsection to any underage person. No "Class A" licensee may provide as taste samples under this subsection wine that the "Class A" licensee did not purchase from a wholesaler.

(b) Notwithstanding par. (a) and s. 125.10 (1), a municipality may prohibit the provision of wine under this subsection.

History: 1981 c. 79, 202; 1983 a. 222, 360, 538; 1985 a. 337; 1987 a. 399; 1989 a. 253; 1991 a. 269; 1993 a. 226; 1995 a. 225; 2001 a. 16.

CHAPTER 134

MISCELLANEOUS TRADE REGULATIONS

134.71 Pawnbrokers and secondhand article and jewelry dealers.

134.71 Pawnbrokers and secondhand article and jewelry dealers. **DEFINITIONS.** in this section: (a) "Article" means any of the following articles except jewelry:

1. Audiovisual equipment.
2. Bicycles.
3. China.
4. Computers, printers, software and computer supplies.
5. Computer toys and games.
6. Crystal.
7. Electronic equipment.
8. Fur coats and other fur clothing.
9. Ammunition and knives.
10. Microwave ovens.
11. Office equipment.
12. Pianos, organs, guitars and other musical instruments.
13. Silverware and flatware.
14. Small electrical appliances.
15. Telephones.

(ag) "Auctioneer" means an individual who is registered as an auctioneer under ch. 480 and who sells secondhand articles or secondhand jewelry at an auction, as defined in s. 480.01 (1).

(am) "Charitable organization" means a corporation, trust or community chest, fund or foundation, organized and operated exclusively for religious, charitable, scientific, literary or educational purposes or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual.

(b) "Customer" means a person with whom a pawnbroker, secondhand article dealer or secondhand jewelry dealer or an agent thereof engages in a transaction of purchase, sale, receipt or exchange of any secondhand article or secondhand jewelry.

(c) "Jewelry" means any tangible personal property ordinarily wearable on the person and consisting in whole or in part of any metal, mineral or gem customarily regarded as precious or semiprecious.

(d) "Municipality" means a city, village or town.

(e) "Pawnbroker" means any person who engages in the business of lending money on the deposit or pledge of any article or jewelry, or purchasing any article or jewelry with an expressed or implied agreement or understanding to sell it back at a subsequent time at a stipulated price.

(f) "Secondhand" means owned by any person, except a wholesaler, retailer or secondhand article dealer or secondhand jewelry dealer licensed under this section, immediately before the transaction at hand.

(g) "Secondhand article dealer" means any person, other than an auctioneer, who primarily engages in the business of purchasing or selling secondhand articles, except when engaging in any of the following:

1. Any transaction at an occasional garage or yard sale, an estate sale, a gun, knife, gem or antique show or a convention.

2. Any transaction entered into by a person while engaged in a business for which the person is licensed under sub. (2) or (4) or while engaged in the business of junk collector, junk dealer or scrap processor as described in s. 70.995 (2) (x).

3. Any transaction while operating as a charitable organization or conducting a sale the proceeds of which are donated to a charitable Organization.

4. Any transaction between a buyer of a new article and the person who sold the article when new which involves any of the following:

- a. The return of the article.
- b. The exchange of the article for a different, new article.

5. Any transaction as a purchaser of a secondhand article from a charitable organization if the secondhand article was a gift to the charitable organization.

6. Any transaction as a seller of a secondhand article which the person bought from a charitable organization if the secondhand article was a gift to the charitable organization.

(h) "Secondhand jewelry dealer" means any person, other than an auctioneer, who engages in the business of any transaction consisting of purchasing, selling, receiving or exchanging secondhand jewelry, except for the following: 1. Any transaction at an occasional garage or yard sale, an estate sale, a gun, knife, gem or antique show or a convention.

2. Any transaction with a licensed secondhand jewelry dealer.

3. Any transaction entered into by a person while engaged in a business of smelting, refining, assaying or manufacturing precious metals, gems or valuable articles if the person has no retail operation open to the public.

4. Any transaction between a buyer of new jewelry and the person who sold the jewelry when new which involves any of the following:

- a. The return of the jewelry.
- b. The exchange of the jewelry for different, new jewelry.

5. Any transaction as a purchaser of secondhand jewelry from a charitable organization if the secondhand jewelry was a gift to the charitable organization.

6. Any transaction as a seller of secondhand jewelry which the person bought from a charitable organization if the secondhand jewelry was a gift to the charitable organization.

(2) LICENSE FOR PAWNBROKER. No person may operate as a pawnbroker unless the person first obtains a pawnbroker's license under this section. A license issued to a pawnbroker by the governing body of a municipality authorizes the licensee to operate as a pawnbroker in that municipality.

(3) LICENSE FOR SECONDHAND ARTICLE DEALER. (a) Except as provided in par.(b), no person may operate as a secondhand article dealer unless the person first obtains a secondhand article dealer's license under this section. A license issued to a secondhand article dealer authorizes the licensee to operate as a secondhand article dealer anywhere in the state.

(b) A person who operates as a secondhand article dealer only on premises or land owned by a person having a secondhand dealer mall or flea market license under sub. (9) need not obtain a secondhand article dealer's license.

(4) LICENSE FOR SECONDHAND JEWELRY DEALER. No person may operate as a secondhand jewelry dealer unless the person first obtains a secondhand jewelry dealer's license under this section. A license issued to a secondhand jewelry dealer authorizes the licensee to operate as a secondhand jewelry dealer anywhere in the state.

(5) LICENSE APPLICATION A person wishing to operate as a secondhand article dealer or a secondhand jewelry dealer and have a principal place of business in a municipality shall apply for a license to the clerk of that municipality. A person wishing to operate as a pawnbroker in a municipality shall apply for a license to the clerk of the municipality. The clerk shall furnish application forms under sub. (12) that shall require all of the following:

(a) The applicant's name, place and date of birth and residence address.

(b) The names and addresses of the business and of the owner of the business premises.

(c) A statement as to whether the applicant has been convicted within the preceding 10 years of a felony or within the preceding 5 years of a misdemeanor, statutory violation punishable by forfeiture or county or municipal ordinance violation in which the circumstances of the felony, misdemeanor or other offense substantially relate to the circumstances of the licensed activity and, if so, the nature and date of the offense and the penalty assessed.

(d) Whether the applicant is a natural person, corporation, limited liability company or partnership, and:

1. If the applicant is a corporation, the state where incorporated and the names and addresses of all officers and directors.

2. If the applicant is a partnership, the names and addresses of all partners.

2L. If the applicant is a limited liability company, the names and addresses of all members.

(e) The name of the manager or proprietor of the business.

(f) Any other information that the county or municipal clerk may reasonably require.

(6) INVESTIGATION OF LICENSE APPLICANT. The law enforcement agency of the county or municipality shall investigate each applicant for a pawnbroker's, secondhand article dealer's or secondhand jewelry dealer's license to determine whether the applicant has been convicted within the preceding 10 years of a felony or within the preceding 5 years of a misdemeanor, statutory violation punishable by forfeiture or county or municipal ordinance violation described under sub. (5) (c) and, if so, the nature and date of the offense and the penalty assessed. The law enforcement agency shall furnish the information derived from that investigation in writing to the clerk of the municipality or county.

(7) LICENSE ISSUANCE. (a) The governing body of the county or municipality shall grant the license if all of the following apply:

1. The applicant, including an individual, a partner, a member of a limited liability company or an officer, director or agent of any corporate applicant, has not been convicted within the preceding 10 years of a felony or within the preceding 5 years of a misdemeanor, statutory violation punishable by forfeiture or county or municipal ordinance violation in which the circumstances of the felony, misdemeanor or other offense substantially relate to the circumstances of being a pawnbroker, secondhand jewelry dealer, secondhand article dealer or secondhand article dealer mall or flea market owner.

2. With respect to an applicant for a pawnbroker's license, the applicant provides to the governing body a bond of \$500, with not less than 2 sureties, for the observation of all municipal ordinances relating to pawnbrokers.

(b) No license issued under this subsection may be transferred.

(c) 1. Each license for a pawnbroker, secondhand article dealer or secondhand jewelry dealer is valid from January 1 until the following December 31.

2. Each license for a secondhand article dealer mall or flea market is valid for 2 years, from May 1 of an odd-numbered year until April 30 of the next odd-numbered year.

(8) PAWNBROKER AND DEALER REQUIREMENTS. (a) **Identification.** No pawnbroker, secondhand article dealer or secondhand jewelry dealer may engage in a transaction of purchase, receipt or exchange of any secondhand article or secondhand jewelry from a customer without first securing adequate identification from the customer. At the time of the transaction, the pawnbroker, secondhand article dealer or secondhand jewelry dealer shall require the customer to present one of the following types of identification:

1. A county identification card.
2. A state identification card.
3. A valid Wisconsin motor vehicle operator's license.
4. A valid motor vehicle operator's license, containing a picture, issued by another state.
5. A military identification card.
6. A valid passport.
7. An alien registration card.
8. A senior citizen's identification card containing a photograph.
9. Any identification document issued by a state or federal government, whether or not containing a picture, if the pawnbroker, secondhand article dealer or secondhand jewelry dealer obtains a clear imprint of the customer's right index finger.

(b) Transactions with minors. 1. Except as provided in subd. 2., no pawnbroker, secondhand article dealer or secondhand jewelry dealer may engage in a transaction of purchase, receipt or exchange of any secondhand article or secondhand jewelry from any minor.

2. A pawnbroker, secondhand article dealer or secondhand jewelry dealer may engage in a transaction described under subd. 1. if the minor is accompanied by his or her parent or guardian at the time of the transaction or if the minor provides the pawnbroker, secondhand article dealer or secondhand jewelry

dealer with the parent's or guardian's written consent to engage in the particular transaction.

(c) Records. 1. Except as provided in subd. 2., for each transaction of purchase, receipt or exchange of any secondhand article or secondhand jewelry from a customer, a pawnbroker, secondhand article dealer or secondhand jewelry dealer shall require the customer to complete and sign, in ink, the appropriate form provided under sub. (12). No entry on such a form may be erased, mutilated or changed. The pawnbroker, secondhand article dealer or secondhand jewelry dealer shall retain an original and a duplicate of each form for not less than one year after the date of the transaction except as provided in par. (e), and during that period shall make the duplicate available to any law enforcement officer for inspection at any reasonable time.

2. For every secondhand article purchased, received or exchanged by a secondhand article dealer from a customer off the secondhand article dealer's premises or consigned to the secondhand article dealer for sale on the secondhand article dealer's premises, the secondhand article dealer shall keep a written inventory. In this inventory the secondhand article dealer shall record the name and address of each customer, the date, time and place of the transaction and a detailed description of the article which is the subject of the transaction. The customer shall sign his or her name on a declaration of ownership of the secondhand article identified in the inventory and shall state that he or she owns the secondhand article. The secondhand article dealer shall retain an original and a duplicate of each entry and declaration of ownership relating to the purchase, receipt or exchange of any secondhand article for not less than one year after the date of the transaction except as provided in par. (e), and shall make duplicates of the inventory and declarations of ownership available to any law enforcement officer for inspection at any reasonable time.

(d) Holding period. 1. Except as provided in subd. 5., any secondhand article or secondhand jewelry purchased or received by a pawnbroker shall be kept on the pawnbroker's premises or other place for safekeeping for not less than 30 days after the date of purchase or receipt, unless the person known by the pawnbroker to be the lawful owner of the secondhand article or secondhand jewelry recovers it.

2. Except as provided in subd. 5., any secondhand article purchased or received by a secondhand article dealer shall be kept on the secondhand article dealer's premises or other place for safekeeping for not less than 10 days after the date of purchase or receipt.

3. Except as provided in subd. 5., any secondhand jewelry purchased or received by a secondhand jewelry dealer shall be kept on the secondhand jewelry dealer's premises or other place for safekeeping for not less than 15 days after the date of purchase or receipt.

4. During the period set forth in subd. 1., 2. or 3. the secondhand article or secondhand jewelry shall be held separate and apart and may not be altered in any manner. The pawnbroker, secondhand article dealer or secondhand jewelry dealer shall permit any law enforcement officer to inspect the secondhand article or secondhand jewelry during this period. Within 24 hours after a written request of a law enforcement officer during this period, a pawnbroker, secondhand article dealer or secondhand jewelry dealer shall make available for inspection any secondhand article or secondhand jewelry which is kept off the premises for safekeeping. Any law enforcement officer who has reason to believe any secondhand article or secondhand jewelry was not sold or exchanged by the lawful owner may direct a pawnbroker, secondhand article dealer or secondhand jewelry dealer to hold that secondhand article or secondhand jewelry for a reasonable length of time which the law enforcement officer considers necessary to identify it.

5. Subdivisions 1. to 4. do not apply to any of the following:

a. A coin of the United States, any gold or silver coin or gold or silver bullion.

b. A secondhand article or secondhand jewelry consigned to a pawnbroker, secondhand article dealer or secondhand jewelry dealer.

(e) Report to law enforcement agency. Within 24 hours after purchasing or receiving a secondhand article or secondhand jewelry, a pawnbroker, secondhand article dealer or secondhand

jewelry dealer shall make available, for inspection by a law enforcement officer, the original form completed under par. (c) 1. or the inventory under par. (c) 2., whichever is appropriate. Notwithstanding s. 19.35 (1), a law enforcement agency receiving the original form or inventory or a declaration of ownership may disclose it only to another law enforcement agency.

(f) Exception for customer return or exchange. Nothing in this subsection applies to the return or exchange, from a customer to a secondhand article dealer or secondhand jewelry dealer, of any secondhand article or secondhand jewelry purchased from the secondhand article dealer or secondhand jewelry dealer.

(9) SECONDHAND ARTICLE DEALER MALL OR FLEA MARKET.

(a) The owner of any premises or land upon which 2 or more persons operate as secondhand article dealers may obtain a secondhand article dealer mall or flea market license for the premises or land if the following conditions are met:

1. Each secondhand article dealer occupies a separate sales location and identifies himself or herself to the public as a separate secondhand article dealer.

2. The secondhand article dealer mall or flea market is operated under one name and at one address, and is under the control of the secondhand article dealer mall or flea market license holder.

4. Each secondhand article dealer delivers to the secondhand article dealer mall or flea market license holder, at the close of business on each day that the secondhand article dealer conducts business, a record of his or her sales that includes the location at which each sale was made.

(b) The secondhand article dealer license holder and each secondhand article dealer operating upon the premises or land shall comply with sub. (8).

(10) LICENSE REVOCATION. A governing body of a county or municipality may revoke any license issued by it under this section for fraud, misrepresentation or false statement contained in the application for a license or for any violation of this section or s. 943.34, 948.62 or 948.63.

(11) FEES. The license fees under this section are:

(a) For a pawnbroker's license, \$210.

(b) For a secondhand article dealer's license, \$27.50.

(c) For a secondhand jewelry dealer's license, \$30.

(d) For a secondhand article dealer mall or flea market license, \$165.

(12) APPLICATIONS AND FORMS. The department of agriculture, trade and consumer protection shall develop applications and other forms required under subs. (5) (intro.) and (8) (c). The department shall print a sufficient number of applications and forms to provide to counties and municipalities for distribution to pawnbrokers, secondhand article dealers and secondhand jewelry dealers at no cost.

(13) PENALTY. (a) Upon conviction for a first offense under this section, a person shall forfeit not less than \$50 nor more than \$1,000.

(b) Upon conviction for a 2nd or subsequent offense under this section, a person shall forfeit not less than \$500 nor more than \$2,000.

(14) ORDINANCE. A county or municipality may enact an ordinance governing pawnbrokers, secondhand article dealers or secondhand jewelry dealers if that ordinance is at least as stringent as this section.

History: 1989 a. 257; 1991 a. 269; 1993 a. 102, 112, 246; 1995 a. 27; 1991 a. 252.

CHAPTER 218 FINANCE COMPANIES, AUTO DEALERS, ADJUSTMENT COMPANIES AND COLLECTION AGENCIES

SUBCHAPTER VIII MOTOR VEHICLE AUCTION DEALERS

218.30 Definitions.

218.305 Motor vehicle auction dealers to be licensed.

218.31 Application for auction dealer's license.

218.32 When department to license auction dealer.

218.33 Motor vehicle auction dealer to be bonded; conduct of auction business

SUBCHAPTER VIII MOTOR VEHICLE AUCTION DEALERS

Cross Reference: See also ch. Trans 138, Wis. adm. code.

218.30 Definitions. In this subchapter: (1) "Department" means the department of transportation.

(2) "License period" means the period during which a license issued under s. 218.32 is effective, as established by the department under s. 218.32 (2) (b) 1.

History: 1989 a. 31.

218.305 Motor vehicle auction dealers to be licensed. No person shall carry on or conduct the business of auctioning motor vehicles at wholesale unless licensed to do so by the department. Any person violating this section may be fined not less than \$25 nor more than \$200 or imprisoned not more than 60 days, or both.

History: 1971 c. 40; 1977 c. 29 s. 1654 (7) (a); 1989 a. 31 s. 2487dp; Stats. 1989 s. 218.305.

218.31 Application for auction dealer's license. (1) Application for a motor vehicle auction dealer's license shall be made upon the form prescribed by the department and, except as provided in sub.(1f), shall contain:

(a) The name and address of the applicant.

(ag) When the applicant is an individual, the social security number of the individual.

(am) When the applicant is a person who is not an individual, the person's federal employer identification number.

(b) When the applicant is a partnership, the name and address of each partner.

(bL) When the applicant is a limited liability company, the name and address of each member.

(c) When the applicant is a corporation, the names of the principal officers of the corporation and the name of the state in which incorporated.

(d) The place or places where the business is to be conducted and the nature of the business.

(e) Such other pertinent information as may be required by the department for the purpose of determining the eligibility of the applicant to be licensed.

(1f) (a) If an applicant who is an individual does not have a social security number, the applicant, as a condition of applying for or applying to renew a motor vehicle auction dealer's license, shall submit a statement made or subscribed under oath or affirmation to the department that the applicant does not have a social security number. The form of the statement shall be prescribed by the department, of workforce development.

(b) Any motor vehicle auction dealer's license issued or renewed in reliance upon a false statement submitted by an applicant under par.(a) is invalid.

(1m) (a) The department shall deny an application for the issuance or renewal of a license if any information required under sub.(1) (ag) or (am) is not included in the application.

(b) The department of transportation may not disclose any information received under sub.(1) (ag) or (am) to any person except to the department of workforce development for purposes of administering s. 49.22 or the department of revenue for the sole purpose of requesting certifications under s. 73.0301.

(2) Every application shall be executed by the applicant, if an individual, or in the event the applicant is a partnership, limited liability company or corporation, by a partner, member or officer

thereof. Every such application shall be accompanied by the fee required by law.

History: 1977 c. 29 s. 1654 (7) (a); 1993 a. 112; 1997 a. 191, 237; 1999 a. 9, 32.

218.32 When department to license auction dealer.

(1) The department shall issue a license certificate to the applicant for a motor vehicle auction dealer's license upon receipt of a properly completed application form accompanied by the fee required under sub.(2) (c) or (d) and upon being satisfied that the applicant is of good character and that, so far as can be ascertained, the applicant has complied with and will comply with the laws of this state with reference to ss. 218.305 to 218.33.

(2) (a) A motor vehicle auction dealer's license entitles the licensee to carry on and conduct the business of a motor vehicle auction dealer during the license period.

(b) 1. The department shall promulgate rules establishing a license period.

2. The department may promulgate rules establishing a uniform expiration date for all licenses issued under this section.

(c) Except as provided in par.(d), the fee for a license issued under this section equals \$50 multiplied by the number of years in the license period. The fee shall be prorated if the license period is not evenly divisible into years.

(d) If the department issues a license under this section during the license period, the fee for the license shall equal \$50 multiplied by the number of calendar years, including parts of calendar years, during which the license remains in effect. A fee determined under this paragraph may not exceed the license fee for the entire license period under par.(c).

(3) The department may deny, suspend or revoke a license on the following grounds:

(a) Proof of unfitness.

(b) Material misstatement in application for license.

(c) Filing a materially false or fraudulent income or franchise tax return as certified by the department of revenue.

(d) Willful failure to comply with any provision of this section or any rule promulgated by the department under this section.

(e) Willfully defrauding any buyer to the buyer's damage.

(f) Willful failure to perform any written agreement with any buyer.

(g) Failure or refusal to furnish and keep in force any bond required.

(h) Having made a fraudulent sale, transaction or repossession.

(i) Fraudulent misrepresentation, circumvention or concealment through whatsoever subterfuge or device of any of the material particulars or the nature thereof required hereunder to be stated or furnished to the buyer.

(k) Having indulged in any unconscionable practice relating to said business.

(L) Having charged interest in excess of 15 per cent per year.

(n) Having violated any law relating to the sale, distribution or financing of motor vehicles.

(o) Failure to comply with ss. 218.305 to 218.33.

(3m) (a) The department shall deny, restrict, limit or suspend a license if the applicant or licensee is an individual who is delinquent in making court-ordered payments of child or family support, maintenance, birth expenses, medical expenses or other expenses related to the support of a child or former spouse, or who fails to comply, after appropriate notice, with a subpoena or warrant issued by the department of workforce development or a county child support agency under s. 59.53 (5) and related to

paternity or child support proceedings, as provided in a memorandum of understanding entered into under s. 49.857.

(b) The department of transportation shall suspend or revoke a license if the department of revenue certifies under s. 73.0301 that the licensee is liable for delinquent taxes. A licensee whose license is suspended or revoked under this paragraph for delinquent taxes is entitled to a notice under s. 73.0301 (2) (b) 1. b. and a hearing under s. 73.0301 (5) (a) but is not entitled to any other notice or hearing under this section.

(4) (a) The licensor may without notice deny the application for a license within 60 days after receipt thereof by written notice to the applicant, stating the grounds for such denial. Within 30 days after such notice, the applicant may petition the division of hearings and appeals to conduct a hearing to review the denial, and a hearing shall be scheduled with reasonable promptness. This paragraph does not apply to denials of applications for licenses under sub.(3m).

(b) No license shall be suspended or revoked except after a hearing thereon. The licensor shall give the licensee at least 5 days' notice of the time and place of such hearing. The order suspending or revoking such license shall not be effective until after 10 days' written notice thereof to the licensee, after such hearing has been had; except that the licensor, when in its opinion the best interest of the public or the trade demands it, may suspend a license upon not less than 24 hours' notice of hearing and with not less than 24 hours' notice of the suspension of the license. Matters involving suspensions and revocations brought before the department shall be heard and decided upon by the division of hearings and appeals. This paragraph does not apply to licenses that are suspended or revoked under sub.(3m).

(c) The licensor may inspect the pertinent books, records, letters and contracts of a licensee. The actual cost of each such examination shall be paid by such licensee so examined within 30 days after demand therefore by the licensor, and the licensor may maintain an action for the recovery of such costs in any court of competent jurisdiction.

History: 1977 c. 29 ss. 1375, 1654(7) (a), (e); 1977 c. 273; 1979 c. 110 s. 60 (13); 1981 c. 347 s. 80 (2); 1983 a. 192; 1989 a. 31; 1991 a. 39; 1993 a. 16; 1997 a. 191, 237; 1999 a. 141.

Cross Reference: See also ch. ~~Trans~~ 138, Wis. adm. code.

218.33 Motor vehicle auction dealer to be bonded; conduct of auction business. (1) Each licensee under s. 218.32 shall furnish and maintain a corporate surety bond in the amount of \$25,000 in such form as the department approves, conditioned upon the licensee's complying with the laws applicable to the licensee and as indemnity for any loss sustained by any person by reason of acts of the licensee constituting grounds for refusal or revocation of the auction dealer's license. The bond shall run to the state of Wisconsin for the benefit of aggrieved parties, but the aggregate liability of the surety for all such parties shall not exceed the amount of said bond.

(2) The following rules shall govern the conduct of motor vehicle auction sales:

(a) Sales of motor vehicles shall be confined to those offered by licensed motor vehicle dealers and shall be sold only to licensed motor vehicle dealers.

(b) For each motor vehicle offered for sale by a motor vehicle dealer, the transferring dealer shall provide the motor vehicle auction dealer with clear title or shall furnish title insurance at the time of the sale. For each motor vehicle sold at an auction, the motor vehicle auction dealer shall enter on the certificate of title, or on the form or in the automated format used to reassign the title, any information that the department requires to indicate that ownership of the vehicle was transferred through an auction sale.

(c) Payment for motor vehicles bought and sold shall be made immediately after sale.

(2m) Section 342.157 applies to motor vehicle auction sales under this section.

(3) Any person violating this section may be fined not less than \$25 nor more than \$200 or imprisoned not more than 60 days, or both.

History: 1977 c. 29 s. 1654(7) (a); 1977 c. 273; 1993 a. 159; 1997 a. 27.

CHAPTER 402
UNIFORM COMMERCIAL CODE — SALES
SUBCHAPTER III
GENERAL OBLIGATION AND CONSTRUCTION OF CONTRACT

402.328 Sale by auction

Cross—reference: See definitions in s. 401.201

402.328 Sale by auction. (1) In a sale by auction if goods are put up in lots each lot is the subject of a separate sale.

(2) A sale by auction is complete when the auctioneer so announces by the fall of the hammer or in other customary manner. Where a bid is made while the hammer is falling in acceptance of a prior bid the auctioneer may in the auctioneer's discretion reopen the bidding or declare the goods sold under the bid on which the hammer was falling.

(3) Such a sale is with reserve unless the goods are in explicit terms put up without reserve. In an auction with reserve the auctioneer may withdraw the goods at any time until the auctioneer announces completion of the sale. In an auction without reserve, after the auctioneer calls for bids on an article or lot, that article or lot cannot be withdrawn unless no bid is made within a reasonable time. In either case a bidder may retract a bid until the auctioneer's announcement of completion of the sale, but a bidder's retraction does not revive any previous bid.

(4) If the auctioneer knowingly receives a bid on the seller's behalf or the seller makes or procures such a bid, and notice has not been given that liberty for such bidding is reserved, the buyer may at the buyer's option avoid the sale or take the goods at the price of the last good faith bid prior to the completion of the sale. This subsection shall not apply to any bid at a forced sale.

History: 1991 a. 316.

CHAPTER 406

UNIFORM COMMERCIAL CODE — BULK TRANSFERS

406.101	Short title.	406.107	The notice.
406.102	"Bulk transfers"; transfers of equipment; enterprises subject to this chapter; bulk transfers subject to this chapter.	406.108	Auction sales; "auctioneer".
406.103	Transfers excepted from this chapter.	406.109	What creditors protected.
406.104	Schedule of property, list of creditors.	406.110	Subsequent transfers.
406.105	Notice to creditors.	406.111	Limitation of actions and levies.

Cross-reference: See definitions in § 401.201

406.101 Short title. This chapter shall be known and may be cited as uniform commercial code—bulk transfers.

406.102 "Bulk transfers"; transfers of equipment; enterprises subject to this chapter; bulk transfers subject to this chapter. (1) A "bulk transfer" is any transfer in bulk and not in the ordinary course of the transferor's business of a major part in value of the inventory, as defined in § 409.102 (1) (Ls), of an enterprise subject to this chapter.

(2) A transfer of a substantial part of the equipment, as defined in § 409.102 (1) (i), of such an enterprise is a bulk transfer if it is made in connection with a bulk transfer of inventory, but not otherwise.

(3) The enterprises subject to this chapter are all those whose principal business is the sale of merchandise from stock, including those who manufacture what they sell.

(3m) The sale, transfer or assignment, in bulk, of any stock of merchandise or of fixtures, pertaining to the merchandise, including any sale, transfer or assignment made in consideration of any existing indebtedness, otherwise than in the ordinary course of trade and in the usual conduct of business by retailers of alcohol beverages, is subject to this chapter.

(4) Except as limited by § 406.103 all bulk transfers of goods located within this state are subject to this chapter.

History: 1981 c. 79; 2001 a. 10.

406.103 Transfers excepted from this chapter. (1) The following transfers are not subject to this chapter:

(a) Those made to give security for the performance of an obligation;

(b) General assignments for the benefit of all the creditors of the transferor, and subsequent transfers by the assignee thereunder;

(c) Transfers in settlement or realization of a lien or other security interest;

(d) Sales by receivers, personal representatives, trustees in bankruptcy, or any public officer under judicial process;

(e) Sales made in the course of judicial or administrative proceedings for the dissolution or reorganization of a corporation and of which notice is sent to the creditors of the corporation pursuant to order of the court or administrative agency;

(f) Transfers to a person maintaining a known place of business in this state who becomes bound to pay the debts of the transferor in full and gives public notice of that fact, and who is solvent after becoming so bound;

(g) A transfer to a new business enterprise organized to take over and continue the business, if public notice of the transaction is given and the new enterprise assumes the debts of the transferor and the transferor receives nothing from the transaction except an interest in the new enterprise junior to the claims of creditors;

(h) Transfers of property which is exempt from execution.

(2) Public notice under sub. (1) (f) or (g) may be given by publication of a class 2 notice, under ch. 985, where the transferor had

its principal place of business in this state. The notice shall include the names and addresses of the transferor and transferee and the effective date of the transfer.

History: 1991 a. 316; 2001 a. 102.

406.104 Schedule of property, list of creditors. (1) Except as provided with respect to auction sales (§ 406.108), a bulk transfer subject to this chapter is ineffective against any creditor of the transferor unless:

(a) The transferee requires the transferor to furnish a list of the transferor's existing creditors prepared as stated in this section; and

(b) The parties prepare a schedule of the property transferred sufficient to identify it; and

(c) The transferee preserves the list and schedule for 6 months next following the transfer and permits inspection of either or both and copying therefrom at all reasonable hours by any creditor of the transferor, or files the list and schedule with the department of financial institutions.

(2) The list of creditors must be signed and sworn to or affirmed by the transferor or the transferor's agent. It must contain the names and business addresses of all creditors of the transferor, with the amounts when known, and also the names of all persons who are known to the transferor to assert claims against the transferor even though such claims are disputed. If the transferor is the obligor of an outstanding issue of bonds, debentures or the like as to which there is an indenture trustee, the list of creditors need include only the name and address of the indenture trustee and the aggregate outstanding principal amount of the issue. The list of Creditors shall include the name and address of the clerk of the municipality in which the property was last assessed.

(3) Responsibility for the completeness and accuracy of the list of creditors rests on the transferor, and the transfer is not rendered ineffective by errors or omissions therein unless the transferee is shown to have had knowledge.

History: 1991 a. 316; 1995 a. 27.

406.105 Notice to creditors. In addition to the requirements of § 406.104, any bulk transfer subject to this chapter except one made by auction sale (§ 406.108) is ineffective against any creditor of the transferor unless at least 10 days before the transferor takes possession of the goods or pays the major part of the purchase price, whichever happens first, the transferee gives notice of the transfer in the manner and to the persons specified in § 406.107.

History: 1991 a. 316.

406.107 The notice. (1) The notice to creditors (§ 406.105) shall state:

(a) That a bulk transfer is about to be made; and

(b) The names and business addresses of the transferor and transferee, and all other business names and addresses used by the transferor within 3 years last past so far as known to the transferee; and

(c) Whether or not all the debts of the transferor are to be paid in full as they fall due as a result of the transaction, and if so, the address to which creditors should send their bills.

(2) If the debts of the transferor are not to be paid in full as they fall due or if the transferee is in doubt on that point then the notice shall state further:

(a) The location and general description of the property to be transferred and the estimated total of the transferor's debts;

(b) The address where the schedule of property and list of creditors (s. 406.104) may be inspected;

(c) Whether the transfer is to pay existing debts and if so the amount of such debts and to whom owing;

(d) Whether the transfer is for new consideration and if so the amount of such consideration and the time and place of payment.

(3) The notice in any case shall be delivered personally or sent by registered mail or certified mail to all the persons shown on the list of creditors furnished by the transferor (s. 406.104) and to all other persons who are known to the transferee to hold or assert claims against the transferor.

406.108 Auction sales; "auctioneer". (1) A bulk transfer is subject to this chapter even though it is by sale at auction, but only in the manner and with the results stated in this section.

(2) The transferor shall furnish a list of the transferor's creditors and assist in the preparation of a schedule of the property to be sold, both prepared as stated in s. 406.104.

(3) The person or persons other than the transferor who direct, control or are responsible for the auction are collectively called the "auctioneer". The auctioneer shall:

(a) Receive and retain the list of creditors and prepare and retain the schedule of property for the period stated in s. 406.103; and

(b) Give notice of the auction personally or by registered or certified mail at least 10 days before it occurs to all persons shown

on the list of creditors and to all other persons who are known to the auctioneer to hold or assert claims against the transferor.

(4) Failure of the auctioneer to perform any of these duties does not affect the validity of the sale or the title of the purchasers, but if the auctioneer knows that the auction constitutes a bulk transfer such failure renders the auctioneer liable to the creditors of the transferor as a class for the sums owing to them from the transferor up to but not exceeding the net proceeds of the auction. If the auctioneer consists of several persons their liability is joint and several.

History: 1991 a.316.

406.109 What creditors protected. The creditors of the transferor mentioned in this chapter are those holding claims based on transactions or events occurring before the bulk transfer, but creditors who become such after notice to creditors is given (ss. 406.105 and 406.107) are not entitled to notice.

406.110 Subsequent transfers. When the title of a transferee to property is subject to a defect by reason of the transferee's noncompliance with the requirements of this chapter, then:

(1) A purchaser of any of such property from such transferee who pays no value or who takes with notice of such noncompliance takes subject to such defect, but

(2) A purchaser for value in good faith and without such notice takes free of such defect.

History: 1991 a.316.

406.111 Limitation of actions and levies. No action under this chapter shall be brought nor levy made more than 6 months after the date on which the transferee took possession of the goods unless the transfer has been concealed. If the transfer has been concealed, actions may be brought or levies made within 6 months after its discovery.

CHAPTER 440 DEPARTMENT OF REGULATION AND LICENSING

SUBCHAPTER I GENERAL PROVISIONS

440.01 Definitions.
440.02 Bonds.
440.03 General duties and powers of the department.
440.035 General duties of examining boards and affiliated credentialing boards
440.04 Duties of the secretary.
440.042 Advisory committees.
440.045 Disputes.
440.05 Standard fees.
440.055 Credit card payments.
440.06 Refunds and reexaminations.
440.07 Examination standards and services.
440.08 Credential renewal.

440.11 Change of name or address.
440.12 Credential denial, nonrenewal and revocation based on tax delinquency
440.13 Delinquency in support payments; failure to comply with subpoena or warrant.
440.14 Nondisclosure of certain personal information.
440.142 Reporting potential causes of public health emergency.
440.20 Disciplinary proceedings.
440.205 Administrative warnings.
440.21 Enforcement of laws requiring credential.
440.22 Assessment of costs.
440.23 Cancellation of credential; reinstatement.
440.25 Judicial review..

Cross reference: See also RL, Wis. adm. code.

SUBCHAPTER I GENERAL PROVISIONS

440.01 Definitions. (1) In chs. 440 to 480, unless the context requires otherwise:

(a) "Department" means the department of regulation and licensing.

(am) "Financial institution" has the meaning given in s. 705.01 (3).

(b) "Grant" means the substantive act of an examining board, section of an examining board, affiliated credentialing board or the department of approving the applicant for credentialing and the preparing, executing, signing or sealing of the credentialing.

(c) "Issue" means the procedural act of the department of transmitting the credential to the person who is credentialed.

(d) "Limit", when used in reference to limiting a credential, means to impose conditions and requirements upon the holder of the credential, and to restrict the scope of the holder's practice.

(dm) "Renewal date" means the date on which a credential expires and before which it must be renewed for the holder to maintain without interruption the rights, privileges and authority conferred by the credential.

(e) "Reprimand" means to publicly warn the holder of a credential.

(f) "Revoke", when used in reference to revoking a credential, means to completely and absolutely terminate the credential and all rights, privileges and authority previously conferred by the credential.

(g) "Secretary" means the secretary of regulation and licensing.

(h) "Suspend", when used in reference to suspending a credential, means to completely and absolutely withdraw and withhold for a period of time all rights, privileges and authority previously conferred by the credential.

(2) In this subchapter: (a) "Credential" means a license, permit, or certificate of certification or registration that is issued under chs. 440 to 480.

(b) "Credentialing" means the acts of an examining board, section of an examining board, affiliated credentialing board or the department that relate to granting, issuing, denying, limiting, suspending or revoking a credential.

(bm) "Credentialing board" means an examining board or an affiliated credentialing board in the department.

(c) "Examining board" includes the board of nursing.

(cs) "Minority group member" has the meaning given in s. 560.036 (1) (f).

(cv) "Psychotherapy" has the meaning given in s. 457.01 (3m).

(d) "Reciprocal credential" means a credential granted by an examining board, section of an examining board, affiliated credentialing board or the department to an applicant who holds a credential issued by a governmental authority in a jurisdiction outside this state authorizing or qualifying the applicant to perform acts that are substantially the same as those acts authorized by the credential granted by the examining board, section of the examining board, affiliated credentialing board or department.

History: 1977 c. 418; 1979 c. 34; 1979 c. 175 s. 53; 1979 c. 221 s. 2202 (45); 1991 a. 39; 1993 a. 102, 107, 1995 a. 233, 333; 1997 a. 35 s. 448; 1997 a. 237 ss. 532, 539m; 1999 a. 9 s. 2915; 2001 a. 80.

Procedural due process and the separation of functions in state occupational licensing agencies. 1974 WLR 833.

440.02 Bonds. Members of the staff of the department who are assigned by the secretary to collect moneys shall be bonded in an amount equal to the total receipts of the department for any month.

440.03 General duties and powers of the department.

(1) The department may promulgate rules defining uniform procedures to be used by the department, the real estate board, the real estate appraisers board, and all examining boards and affiliated credentialing boards attached to the department or an examining board, for receiving, filing and investigating complaints, for commencing disciplinary proceedings and for conducting hearings.

(1m) The department may promulgate rules specifying the number of business days within which the department or any examining board or affiliated credentialing board in the department must review and make a determination on an application for a permit, as defined in s. 560.41 (2), that is issued under chs. 440 to 480.

(2) The department may provide examination development services, consultation and technical assistance to other state agencies, federal agencies, counties, cities, villages, towns, national or regional organizations of state credentialing agencies, similar credentialing agencies in other states, national or regional accrediting associations, and nonprofit organizations. The department may charge a fee sufficient to reimburse the department for the costs of providing such services. In this subsection, "nonprofit organization" means a nonprofit corporation as defined in s. 181.0103 (17), and an organization exempt from tax under 26 USC 501.

(3) If the secretary reorganizes the department, no modification may be made in the powers and responsibilities of the examining boards or affiliated credentialing boards attached to the department or an examining board under s. 15.405 or 15.406.

(3m) The department may investigate complaints made against a person who has been issued a credential under chs. 440 to 480.

(3q) Notwithstanding sub.(3m), the department of regulation and licensing shall investigate any report that it receives under s. 146.40 (4r) (am) 2. or (em).

(4) The department may issue subpoenas for the attendance of witnesses and the production of documents or other materials prior to the commencement of disciplinary proceedings.

(5) The department may investigate allegations of negligence by physicians licensed to practice medicine and surgery under ch. 448.

(5m) The department shall maintain a toll-free telephone number to receive reports of allegations of unprofessional conduct, negligence or misconduct involving a physician licensed under subch. III of ch. 448. The department shall publicize the toll-free telephone number and the investigative powers and duties of the department and the medical examining board as widely as possible

in the state, including in hospitals, clinics, medical offices and other health care facilities.

(6) The department shall have access to any information contained in the reports filed with the medical examining board, an affiliated credentialing board attached to the medical examining board and the board of nursing under s. 655.045, as created by 1985 Wisconsin Act 29, and s. 655.26.

(7) The department shall establish the style, content and format of all credentials and of all forms for applying for any credential issued or renewed under chs. 440 to 480. All forms shall include a place for the information required under sub.(11m) (a). Upon request of any person who holds a credential and payment of a \$10 fee, the department may issue a wall certificate signed by the governor.

(7m) The department may promulgate rules that establish procedures for submitting an application for a credential or credential renewal by electronic transmission. Any rules promulgated under this subsection shall specify procedures for complying with any requirement that a fee be submitted with the application. The rules may also waive any requirement in chs. 440 to 480 that an application submitted to the department, an examining board or an affiliated credentialing board be executed, verified, signed, sworn or made under oath, notwithstanding ss. 440.26 (2) (b), 440.42 (2) (intro.), 440.91 (2) (intro.), 443.06 (1) (a), 443.10 (2) (a), 445.04 (2), 445.08 (4), 445.095 (1) (a), 448.05 (7), 450.09 (1) (a), 452.10 (1) and 480.08 (2m).

(8) The department may promulgate rules requiring holders of certain credentials to do any of the following:

(a) Display the credential in a conspicuous place in the holder's office or place of practice or business, if the holder is not required by statute to do so.

(b) Post a notice in a conspicuous place in the holder's office or place of practice or business describing the procedures for filing a complaint against the holder.

(9) The department shall include all of the following with each biennial budget request that it makes under s. 16.42:

(a) A recalculation of the administrative and enforcement costs of the department that are attributable to the regulation of each occupation or business under chs. 440 to 480 and that are included in the budget request.

(b) A recommended change to each fee specified under s. 440.05 (1) for an initial credential for which an examination is not required, under s. 440.05 (2) for a reciprocal credential and under s. 440.08 (2) (a) for a credential renewal if the change is necessary to reflect the approximate administrative and enforcement costs of the department that are attributable to the regulation of the particular occupation or business during the period in which the initial or reciprocal credential or credential renewal is in effect and, for purposes of the recommended change to each fee specified under s. 440.08 (2) (a) for a credential renewal, to reflect an estimate of any additional moneys available for the department's general program operations, during the budget period to which the biennial budget request applies, as a result of appropriation transfers that have been or are estimated to be made under s. 20.165 (1) (i) prior to and during that budget period.

(11) The department shall cooperate with the department of health and family services to develop a program to use voluntary, uncompensated services of licensed or certified professionals to assist the department of health and family services in the evaluation of community mental health programs in exchange for continuing education credits for the professionals under ss. 448.40 (2) (e) and 455.065 (5).

(11m) (a) Each application form for a credential issued or renewed under chs. 440 to 480 shall provide a space for the department to require each of the following, other than an individual who does not have a social security number and who submits a statement made or subscribed under oath or affirmation as required under par.(am), to provide his or her social security number:

1. An applicant for an initial credential or credential renewal. If the applicant is not an individual, the department shall require the applicant to provide its federal employer identification number.

2. An applicant for reinstatement of an inactive license under s. 452.12 (6) (e).

(am) If an applicant specified in par.(a) 1. or 2. is an individual who does not have a social security number, the applicant shall

submit a statement made or subscribed under oath that the applicant does not have a social security number. The form of the statement shall be prescribed by the department of workforce development. A credential or license issued in reliance upon a false statement submitted under this paragraph is invalid.

(b) The department shall deny an application for an initial credential or deny an application for credential renewal or for reinstatement of an inactive license under s. 452.12 (6) (e) if any information required under par.(a) is not included in the application form or, in the case of an applicant who is an individual and who does not have a social security number, if the statement required under par.(am) is not included with the application form.

(c) The department of regulation and licensing may not disclose a social security number obtained under par.(a) to any person except the coordinated licensure information system under s. 441.50 (7); the department of workforce development for purposes of administering s. 49.22; and, for a social security number obtained under par.(a) 1., the department of revenue for the sole purpose of requesting certifications under s. 73.0301.

(12m) The department of regulation and licensing shall cooperate with the departments of justice and health and family services in developing and maintaining a computer linkup to provide access to information regarding the current status of a credential issued to any person by the department of regulation and licensing, including whether that credential has been restricted in any way.

(13) The department may conduct an investigation to determine whether an applicant for a credential issued under chs. 440 to 480 satisfies any of the eligibility requirements specified for the credential, including whether the applicant does not have an arrest or conviction record. In conducting an investigation under this subsection, the department may require an applicant to provide any information that is necessary for the investigation or, for the purpose of obtaining information related to an arrest or conviction record of an applicant, to complete forms provided by the department of justice or the federal bureau of investigation. The department shall charge the applicant any fees, costs or other expenses incurred in conducting the investigation under this subsection.

(14) (a) 1. The department shall grant a certificate of registration as a music therapist to a person if all of the following apply:

a. The person is certified, registered or accredited as a music therapist by the Certification Board for Music Therapists, National Music Therapy Registry, American Music Therapy Association or by another national organization that certifies, registers or accredits music therapists.

b. The organization that certified, registered or accredited the person under subd. 1. a. is approved by the department.

c. The person pays the fee specified in s. 440.05 (1) and files with the department evidence satisfactory to the department that he or she is certified, registered or accredited as required under subd. 1. a.

2. The department shall grant a certificate of registration as an art therapist to a person if all of the following apply:

a. The person is certified, registered or accredited as an art therapist by the Art Therapy Credentials Board or by another national organization that certifies, registers or accredits art therapists.

b. The organization that certified, registered or accredited the person under subd. 2. a. is approved by the department.

c. The person pays the fee specified in s. 440.05 (1) and files with the department evidence satisfactory to the department that he or she is certified, registered or accredited as required under subd. 2. a.

3. The department shall grant a certificate of registration as a dance therapist to a person if all of the following apply:

a. The person is certified, registered or accredited as a dance therapist by the American Dance Therapy Association or by another national organization that certifies, registers or accredits dance therapists.

b. The organization that certified, registered or accredited the person under subd. 3. a. is approved by the department.

c. The person pays the fee specified in s. 440.05 (1) and files with the department evidence satisfactory to the department that

he or she is certified, registered or accredited as required under subd.3. a.

(am) The department may promulgate rules that establish requirements for granting a license to practice psychotherapy to a person who is registered under par.(a). Rules promulgated under this paragraph shall establish requirements for obtaining such a license that are comparable to the requirements for obtaining a clinical social worker, marriage and family therapist, or professional counselor license under ch. 457. If the department promulgates rules under this paragraph, the department shall grant a license under this paragraph to a person registered under par.(a) who pays the fee specified in s. 440.05 (1) and provides evidence satisfactory to the department that he or she satisfies the requirements established in the rules.

(b) A person who is registered under par.(a) shall notify the department in writing within 30 days if an organization specified in par.(a) 1. a., 2. a. or 3. a. revokes the person's certification, registration, or accreditation specified in par.(a) 1. a., 2. a., or 3. a. The department shall revoke a certificate of registration granted under par.(a) if such an organization revokes such a certification, registration, or accreditation. If the department revokes the certificate of registration of a person who also holds a license granted under the rules promulgated under par.(am), the department shall also revoke the license.

(c) The renewal dates for certificates granted under par.(a) and licenses granted under par.(am) are specified in s. 440.08 (2) (a). Renewal applications shall be submitted to the department on a form provided by the department and shall include the renewal fee specified in s. 440.08 (2) (a) and evidence satisfactory to the department that the person's certification, registration, or accreditation specified in par.(a) 1. a., 2. a. or 3. a. has not been revoked.

(d) The department shall promulgate rules that specify the services within the scope of practice of music, art, or dance therapy that a person who is registered under par.(a) is qualified to perform. The rules may not allow a person registered under par.(a) to perform psychotherapy unless the person is granted a license under the rules promulgated under par.(am).

Cross reference: See also chs. RL 140, 141, and 142, Wis. adm. code.

(e) Subject to the rules promulgated under sub.(1), the department may make investigations and conduct hearings to determine whether a violation of this subsection or any rule promulgated under par.(d) has occurred and may reprimand a person who is registered under par.(a) or holds a license granted under the rules promulgated under par.(am) or may deny, limit, suspend, or revoke a certificate of registration granted under par.(a) or a license granted under the rules promulgated under par.(am) if the department finds that the applicant or certificate or license holder has violated this subsection or any rule promulgated under par.(d).

(f) A person who is registered under par.(a) or holds a license granted under the rules promulgated under par.(am) who violates this subsection or any rule promulgated under par.(d) may be fined not more than \$200 or imprisoned for not more than 6 months or both.

(15) The department shall promulgate rules that establish the fees specified in ss. 440.05 (10) and 440.08 (2) (d).

(16) Annually, the department shall distribute the form developed by the medical and optometry examining boards under 2001 Wisconsin Act 16, section 9143 (3c), to all school districts and charter schools that offer kindergarten, to be used by pupils to provide evidence of eye examinations under s. 118.135.

History: 1977 c. 418 ss. 24, 792; 1979 c. 34, 221, 337; 1981 c. 94; 1985 a. 29, 340; 1989 a. 31, 340; 1991 a. 39; 1993 a. 16, 102, 107, 443, 445, 490, 491; 1995 a. 27 ss. 6472g, 6472j, 9126 (19); 1995 a. 233; 1997 a. 27, 75, 79; 1997 a. 191 ss. 312, 313, 318; 1997 a. 231, 237; 1997 a. 261 ss. 1 to 4, 7, 10, 13; 1997 a. 311; 1999 a. 9, 32; 2001 i. a. 16, 66, 80.

Cross reference: See also RL, Wis. adm. code.

440.035 General duties of examining boards and affiliated credentialing boards. Each examining board or affiliated credentialing board attached to the department or an examining board shall:

(1) Independently exercise its powers, duties and functions prescribed by law with regard to rule-making, credentialing and regulation.

(2) Be the supervising authority of all personnel, other than shared personnel, engaged in the review, investigation or handling

of information regarding qualifications of applicants for credentials, examination questions and answers, accreditation, related investigations and disciplinary matters affecting persons who are credentialed by the examining board or affiliated credentialing board, or in the establishing of regulatory policy or the exercise of administrative discretion with regard to the qualifications or discipline of applicants or persons who are credentialed by the examining board, affiliated credentialing board or accreditation.

(3) Maintain, in conjunction with their operations, in central locations designated by the department, all records pertaining to the functions independently retained by them.

(4) Compile and keep current a register of the names and addresses of all persons who are credentialed to be retained by the department and which shall be available for public inspection during the times specified in s. 230.35 (4) (a). The department may also make the register available to the public by electronic transmission.

History: 1977 c. 418 ss. 25, 793, 929 (41); 1979 c. 32 s. 92 (1); 1979 c. 34; 1989 a. 56 s. 259; 1991 a. 39; 1993 a. 107; 1997 a. 27, 191, 237.

440.04 Duties of the secretary. The secretary shall: (1) Centralize, at the capital and in such district offices as the operations of the department and the attached examining boards and affiliated credentialing boards require, the routine housekeeping functions required by the department, the examining boards and the affiliated credentialing boards.

(2) Provide the bookkeeping, payroll, accounting and personnel advisory services required by the department and the legal services, except for representation in court proceedings and the preparation of formal legal opinions, required by the attached examining boards and affiliated credentialing boards.

(5) With the advice of the examining boards or affiliated credentialing boards:

(a) Provide the department with such supplies, equipment, office space and meeting facilities as are required for the efficient operation of the department.

(b) Make all arrangements for meetings, hearings and examinations.

(c) Provide such other services as the examining boards or affiliated credentialing boards request.

(6) Appoint outside the classified service an administrator for any division established in the department and a director for any bureau established in the department as authorized in s. 230.08 (2). The secretary may assign any bureau director appointed in accordance with this subsection to serve concurrently as a bureau director and a division administrator.

(7) Unless otherwise specified in chs. 440 to 480, provide examination development, administration, research and evaluation services as required.

(8) Collect data related to the registration of speech-language pathologists and audiologists under subch. III of ch. 459 and, on January 15, 1993, report the data and recommendations on whether the licensure of speech-language pathologists and audiologists under subch. II of ch. 459 is appropriate to the chief clerk of each house of the legislature for distribution in the manner provided under s. 13.172 (2).

(9) Annually prepare and submit a report to the legislature under s. 13.172 (2) on the number of minority group members who applied for licensure as a certified public accountant under ch. 442, the number who passed the examination required for licensure as a certified public accountant and the number who were issued a certified public accountant license under ch. 442, during the preceding year.

History: 1977 c. 418 s. 26; 1979 c. 34; 1981 c. 20; 1985 a. 29; 1987 a. 27; 1989 a. 316; 1991 a. 39; 1993 a. 102, 107; 1995 a. 333.

440.042 Advisory committees. (1) The secretary may appoint persons or advisory committees to advise the department and the boards, examining boards and affiliated credentialing boards in the department on matters relating to the regulation of credential holders. The secretary shall appoint an advisory committee to advise the department on matters relating to carrying out the duties specified in s. 440.982 and making investigations, conducting hearings and taking disciplinary action under s. 440.986. A person or an advisory committee member appointed under this subsection shall serve without compensation, but may be reimbursed for his

or her actual and necessary expenses incurred in the performance of his or her duties.

(2) Any person who in good faith testifies before the department or any examining board, affiliated credentialing board or board in the department or otherwise provides the department or any examining board, affiliated credentialing board or board in the department with advice or information on a matter relating to the regulation of a person holding a credential is immune from civil liability for his or her acts or omissions in testifying or otherwise providing such advice or information. The good faith of any person specified in this subsection shall be presumed in any civil action and an allegation that such a person has not acted in good faith must be proven by clear and convincing evidence.

History: 1993 a. 16 ss. 3269, 3299; 1993 a. 107; 1997 a. 186; 1999 a. 32.

440.045 Disputes. Any dispute between an examining board or an affiliated credentialing board and the secretary shall be arbitrated by the governor or the governor's designee after consultation with the disputants.

History: 1977 c. 418 s. 27; 1979 c. 34; 1993 a. 107.

The relationship between the department, cosmetology examining board, and governor is discussed. 70 Atty. Gen. 172.

440.05 Standard fees. The following standard fees apply to all initial credentials, except as provided in ss. 440.42, 440.43, 440.44, 440.51, 444.03, 444.05, 444.11, 447.04 (2) (c) 2., 449.17, 449.18 and 459.46:

(1) (a) Initial credential: \$53. Each applicant for an initial credential shall pay the initial credential fee to the department when the application materials for the initial credential are submitted to the department.

(b) Examination: If an examination is required, the applicant shall pay an examination fee to the department. If the department prepares, administers, or grades the examination, the fee to the department shall be an amount equal to the department's best estimate of the actual cost of preparing, administering, or grading the examination. If the department approves an examination prepared, administered, and graded by a test service provider, the fee to the department shall be an amount equal to the department's best estimate of the actual cost of approving the examination, including selecting, evaluating, and reviewing the examination.

(2) Reciprocal credential, including any credential described in s. 440.01 (2) (d) and any credential that permits temporary practice in this state in whole or in part because the person holds a credential in another jurisdiction: The applicable credential renewal fee under s. 440.08 (2) (a) and, if an examination is required, an examination fee under sub.(1).

(6) Apprentice, journeyman, student or other temporary credential, granted pending completion of education, apprenticeship or examination requirements: \$10.

(7) Replacement of lost credential, name or address change on credential, issuance of duplicate credential or transfer of credential: \$10.

(9) Endorsement of persons who are credentialed to other states: \$10.

(10) Expedited service: If an applicant for a credential requests that the department process an application on an expedited basis, the applicant shall pay a service fee that is equal to the department's best estimate of the cost of processing the application on an expedited basis, including the cost of providing counter or other special handling services.

History: 1977 c. 29, 418; 1979 c. 34; 1979 c. 175 s. 53; 1979 c. 221 s. 2202 (45); 1983 a. 27; 1985 a. 29; 1987 a. 264, 265, 329, 399, 403; 1989 a. 31, 229, 307, 316, 336, 340, 341, 359; 1991 a. 39, 269, 278, 315; 1993 a. 16; 1995 a. 27; 1997 a. 27, 96; 1999 a. 9; 2001 a. 16.

Cross reference: See also ch. RL 4, Wis. adm. code.

440.055 Credit card payments. (2) If the department permits the payment of a fee with use of a credit card, the department shall charge a credit card service charge for each transaction. The credit card service charge shall be in addition to the fee that is being paid with the credit card and shall be sufficient to pay the costs to the department for providing this service to persons who request it, including the cost of any services for which the department contracts under sub.(3).

(3) The department may contract for services relating to the payment of fees by credit card under this section.

History: 1995 a. 27; 1999 a. 9.

440.06 Refunds and reexaminations. The secretary may establish uniform procedures for refunds of fees paid under s. 440.05 or 440.08 and uniform procedures and fees for reexaminations under chs. 440 to 480.

History: 1977 c. 418; 1979 c. 178 s. 53; 1979 c. 221 s. 2202 (45); 1991 a. 39; 1993 a. 102.

Cross reference: See also ch. RL 4, Wis. adm. code.

440.07 Examination standards and services. (1) In addition to the standards specified in chs. 440 to 480, examinations for credentials shall reasonably relate to the skills likely to be needed for an applicant to practice in this state at the time of examination and shall seek to determine the applicant's preparedness to exercise the skills.

(2) The department, examining board or affiliated credentialing board having authority to credential applicants may do any of the following:

(a) Prepare, administer and grade examinations.

(b) Approve, in whole or in part, an examination prepared, administered and graded by a test service provider.

(3) The department may charge a fee to an applicant for a credential who fails an examination required for the credential and requests a review of his or her examination results. The fee shall be based on the cost of the review. No fee may be charged for the review unless the amount of the fee or the procedure for determining the amount of the fee is specified in rules promulgated by the department.

History: 1987 a. 27; 1991 a. 39; 1993 a. 102, 107.

Cross reference: See also ch. RL 4, Wis. adm. code. Department of Regulation and Licensing test scores were subject to disclosure under the open records law. *Munroe v. Braatz*, 201 Wis. 2d 442, 549 N.W.2d 452 (Ct. App. 1996).

440.08 Credential renewal. (1) **NOTICE OF RENEWAL.** The department shall give a notice of renewal to each holder of a credential at least 30 days prior to the renewal date of the credential. Notice may be mailed to the last address provided to the department by the credential holder or may be given by electronic transmission. Failure to receive a notice of renewal is not a defense in any disciplinary proceeding against the holder or in any proceeding against the holder for practicing without a credential. Failure to receive a notice of renewal does not relieve the holder from the obligation to pay a penalty for late renewal under sub.(3).

(2) **RENEWAL DATES, FEES AND APPLICATIONS.** (a) Except as provided in par.(b) and in ss. 440.51, 442.04, 444.03, 444.05, 444.11, 448.065, 447.04 (2) (c) 2., 449.17, 449.18 and 459.46, the renewal dates and renewal fees for credentials are as follows:

1. Accountant, certified public: January 1 of each even-numbered year; \$59.

3. Accounting corporation or partnership: January 1 of each even-numbered year; \$56.

4. Acupuncturist: July 1 of each odd-numbered year; \$70.

4m. Advanced practice nurse prescriber: October 1 of each even-numbered year; \$73.

5. Aesthetics: July 1 of each odd-numbered year; \$87.

6. Aesthetics establishment: July 1 of each odd-numbered year; \$70.

7. Aesthetics instructor: July 1 of each odd-numbered year; \$70.

8. Aesthetics school: July 1 of each odd-numbered year; \$115.

9. Aesthetics specialty school: July 1 of each odd-numbered year; \$53.

11. Appraiser, real estate, certified general: January 1 of each even-numbered year; \$162.

11m. Appraiser, real estate, certified residential: January 1 of each even-numbered year; \$167.

12. Appraiser, real estate, licensed: January 1 of each even-numbered year; \$185.

13. Architect: August 1 of each even-numbered year; \$60.

14. Architectural or engineering firm, partnership or corporation: February 1 of each even-numbered year; \$70.

14f. Athletic trainer: July 1 of each even-numbered year; \$53.

14g. Auction company: January 1 of each odd-numbered year; \$56.

14r. Auctioneer: January 1 of each odd-numbered year; \$174.

15. Audiologist: February 1 of each odd-numbered year; \$106.

16. Barbering or cosmetology establishment: July 1 of each odd-numbered year; \$56.

17. Barbering or cosmetology instructor: July 1 of each odd-numbered year; \$91.
 18. Barbering or cosmetology manager: July 1 of each odd-numbered year; \$71.
 19. Barbering or cosmetology school: July 1 of each odd-numbered year; \$138.
 20. Barber or cosmetologist: July 1 of each odd-numbered year; \$63.
 21. Cemetery authority: January 1 of each odd-numbered year; \$343.
 22. Cemetery preneed seller: January 1 of each odd-numbered year; \$61.
 23. Cemetery salesperson: January 1 of each odd-numbered year; \$90.
 23m. Charitable organization: August 1 of each year; \$15.
 24. Chiropractor: January 1 of each odd-numbered year; \$168.
 25. Dental hygienist: October 1 of each odd-numbered year; \$57.
 26. Dentist: October 1 of each odd-numbered year; \$131.
 26m. Dentist, faculty member: October 1 of each odd-numbered year; \$131.
 27. Designer of engineering systems: February 1 of each even-numbered year; \$58.
 27m. Dietitian: November 1 of each even-numbered year; \$56.
 28. Drug distributor: June 1 of each even-numbered year; \$70.
 29. Drug manufacturer: June 1 of each even-numbered year; \$70.
 30. Electrologist: July 1 of each odd-numbered year; \$76.
 31. Electrology establishment: July 1 of each odd-numbered year; \$56.
 32. Electrology instructor: July 1 of each odd-numbered year; \$86.
 33. Electrology school: July 1 of each odd-numbered year; \$71.
 34. Electrology specialty school: July 1 of each odd-numbered year; \$53.
 35. Engineer, professional: August 1 of each even-numbered year; \$58.
 35m. Fund-raising counsel: September 1 of each even-numbered year; \$53.
 36. Funeral director: January 1 of each even-numbered year; \$135.
 37. Funeral establishment: June 1 of each odd-numbered year; \$56.
 38. Hearing instrument specialist: February 1 of each odd-numbered year; \$106.
 38g. Home inspector: January 1 of each odd-numbered year; \$53.
 38m. Landscape architect: August 1 of each even-numbered year; \$56.
 39. Land surveyor: February 1 of each even-numbered year; \$77.
 42. Manicuring establishment: July 1 of each odd-numbered year; \$53.
 43. Manicuring instructor: July 1 of each odd-numbered year; \$53.
 44. Manicuring school: July 1 of each odd-numbered year; \$118.
 45. Manicuring specialty school: July 1 of each odd-numbered year; \$53.
 46. Manicurist: July 1 of each odd-numbered year; \$133.
 46m. Marriage and family therapist: July 1 of each odd-numbered year; \$84.
 46r. Massage therapist or bodyworker: March 1 of each odd-numbered year; \$53.
NOTE: Subd. 46r. is created eff. 3-1-03 by 2001 Wis. Act 74.
 48. Nurse, licensed practical: May 1 of each odd-numbered year; \$69.
 49. Nurse, registered: March 1 of each even-numbered year; \$66.
 50. Nurse-midwife: March 1 of each even-numbered year; \$70.
 51. Nursing home administrator: July 1 of each even-numbered year; \$120.
 52. Occupational therapist: November 1 of each odd-numbered year; \$59.
 53. Occupational therapy assistant: November 1 of each odd-numbered year; \$62.

54. Optometrist: January 1 of each even-numbered year; \$65.
 54m. Perfusionist: November 1 of each odd-numbered year; \$56.
 55. Pharmacist: June 1 of each even-numbered year; \$97.
 56. Pharmacy: June 1 of each even-numbered year; \$56.
 57. Physical therapist: November 1 of each odd-numbered year; \$62.
 57m. Physical therapist assistant: November 1 of each odd-numbered year; \$44.
NOTE: Subd. 57m. is created eff. 4-1-04 by 2001 Wis. Act 70.
 58. Physician: November 1 of each odd-numbered year; \$106.
 59. Physician assistant: November 1 of each odd-numbered year; \$72.
 60. Podiatrist: November 1 of each odd-numbered year; \$150.
 61. Private detective: September 1 of each even-numbered year; \$101.
 62. Private detective agency: September 1 of each even-numbered year; \$53.
 63. Private practice school psychologist: October 1 of each odd-numbered year; \$103.
 63g. Private security person: September 1 of each even-numbered year; \$53.
 63m. Professional counselor: July 1 of each odd-numbered year; \$76.
 63t. Professional fund-raiser: September 1 of each even-numbered year; \$93.
 63u. Professional geologist: August 1 of each even-numbered year; \$59.
 63v. Professional geology, hydrology or soil science firm, partnership or corporation: August 1 of each even-numbered year; \$53.
 63w. Professional hydrologist: August 1 of each even-numbered year; \$53.
 63x. Professional soil scientist: August 1 of each even-numbered year; \$53.
 64. Psychologist: October 1 of each odd-numbered year; \$157.
 65. Real estate broker: January 1 of each odd-numbered year; \$128.
 66. Real estate business entity: January 1 of each odd-numbered year; \$56.
 67. Real estate salesperson: January 1 of each odd-numbered year; \$83.
 67m. Registered interior designer: August 1 of each even-numbered year; \$56.
 67q. Registered massage therapist or bodyworker: March 1 of each odd-numbered year; \$53.
NOTE: Subd. 67q. is repealed eff. 3-1-03 by 2001 Wis. Act 74.
 67v. Registered music, art or dance therapist: October 1 of each odd-numbered year; \$53.
 67x. Registered music, art, or dance therapist with psychotherapy license: October 1 of each odd-numbered year; \$53.
 68. Respiratory care practitioner: November 1 of each odd-numbered year; \$65.
 68d. Social worker: July 1 of each odd-numbered year; \$63.
 68h. Social worker, advanced practice: July 1 of each odd-numbered year; \$70.
 68p. Social worker, independent: July 1 of each odd-numbered year; \$58.
 68t. Social worker, independent clinical: July 1 of each odd-numbered year; \$73.
 68v. Speech-language pathologist: February 1 of each odd-numbered year; \$63.
 69. Time-share salesperson: January 1 of each odd-numbered year; \$119.
 70. Veterinarian: January 1 of each even-numbered year; \$105.
 71. Veterinary technician: January 1 of each even-numbered year; \$58.
 (b) The renewal fee for an apprentice, journeyman, student or temporary credential is \$10. The renewal dates specified in par.(a) do not apply to apprentice, journeyman, student or temporary credentials.
 (c) Except as provided in sub.(3), renewal applications shall include the applicable renewal fee specified in pars.(a) and (b).
 (d) If an applicant for credential renewal requests that the department process an application on an expedited basis, the

applicant shall pay a service fee that is equal to the department's best estimate of the cost of processing the application on an expedited basis, including the cost of providing counter or other special handling services.

(3) LATE RENEWAL.(a) Except as provided in rules promulgated under par.(b), if the department does not receive an application to renew a credential before its renewal date, the holder of the Credential may restore the credential by payment of the applicable renewal fee specified in sub.(2) (a) and by payment of a late renewal fee of \$25.

(b) The department or the interested examining board or affiliated credentialing board, as appropriate, may promulgate rules requiring the holder of a credential who fails to renew the credential within 5 years after its renewal date to complete requirements in order to restore the credential, in addition to the applicable requirements for renewal established under chs. 440 to 480, that the department, examining board or affiliated credentialing board determines is necessary to protect the public health, safety or welfare. The rules may not require the holder to complete educational requirements or pass examinations that are more extensive than the educational or examination requirements that must be completed in order to obtain an initial credential from the department, the examining board or the affiliated credentialing board.

(4) DENIAL OF CREDENTIAL RENEWAL.(a) *Generally.* If the department or the interested examining board or affiliated credentialing board, as appropriate, determines that an applicant for renewal has failed to comply with sub.(2) (c) or (3) or with any other applicable requirement for renewal established under chs. 440 to 480 or that the denial of an application for renewal of a credential is necessary to protect the public health, safety or welfare, the department, examining board or affiliated credentialing board may summarily deny the application for renewal by mailing to the holder of the credential a notice of denial that includes a statement of the facts or conduct that warrant the denial and a notice that the holder may, within 30 days after the date on which the notice of denial is mailed, file a written request with the department to have the denial reviewed at a hearing before the department, if the department issued the credential, or before the examining board or affiliated credentialing board that issued the credential.

(b) *Applicability.* This subsection does not apply to a denial of a credential renewal under s. 440.12 or 440.13 (2) (b).

History: 1991 a. 39 ss. 3305, 3313; 1991 a. 78, 160, 167, 269, 278, 315; 1993 a. 3, 16, 102, 105, 107, 443, 463, 465; 1993 a. 490 ss. 228 to 230, 274, 275; 1995 a. 27, 233, 321, 322, 461; 1997 a. 27, 75, 81, 96, 156, 191, 237, 261, 300; 1999 a. 9, 32; 2001 a. 16, 70, 74, 80, 89

440.11 Change of name or address. (1) An applicant for or recipient of a credential who changes his or her name or moves from the last address provided to the department shall notify the department of his or her new name or address within 30 days of the change in writing or in accordance with other notification procedures approved by the department.

(2) The department or any examining board, affiliated credentialing board or board in the department may serve any process, notice or demand on the holder of any credential by mailing it to the last-known address of the holder as indicated in the records of the department, examining board, affiliated credentialing board or board.

(3) Any person who fails to comply with sub.(1) shall be subject to a forfeiture of \$50.

History: 1987 a. 27; 1991 a. 39; 1993 a. 107; 1997 a. 27.

440.12 Credential denial, nonrenewal and revocation based on tax delinquency. Notwithstanding any other provision of chs. 440 to 480 relating to issuance or renewal of a credential, the department shall deny an application for an initial credential or credential renewal or revoke a credential if the department of revenue certifies under s. 73.0301 that the applicant or credential holder is liable for delinquent taxes, as defined in s. 73.0301 (1) (c).

History: 1997 a. 237.

Cross reference: See also ch. RL 9, Wis. adm. code.

440.13 Delinquency in support payments; failure to comply with subpoena or warrant. (1) In this section:

(b) "Memorandum of understanding" means a memorandum of understanding entered into by the department of regulation and licensing and the department of workforce development under s. 49.857.

(c) "Support" has the meaning given in s. 49.857 (1) (g).

(2) Notwithstanding any other provision of chs. 440 to 480 relating to issuance of an initial credential or credential renewal, as provided in the memorandum of understanding:

(a) With respect to a credential granted by the department, the department shall restrict, limit or suspend a credential or deny an application for an initial credential or for reinstatement of an inactive license under s. 452.12 (6) (e) if the credential holder or applicant is delinquent in paying support or fails to comply, after appropriate notice, with a subpoena or warrant issued by the department of workforce development or a county child support agency under s. 59.53 (5) and related to support or paternity proceedings.

(b) With respect to credential renewal, the department shall deny an application for renewal if the applicant is delinquent in paying support or fails to comply, after appropriate notice, with a subpoena or warrant issued by the department of workforce development or a county child support agency under s. 59.53 (5) and related to support or paternity proceedings.

(c) With respect to a credential granted by a credentialing board, a credentialing board shall restrict, limit or suspend a credential held by a person or deny an application for an initial credential when directed to do so by the department.

History: 1997 a. 191, 237.

440.14 Nondisclosure of certain personal information.

(1) In this section: (a) "List" means information compiled or maintained by the department or a credentialing board that contains the personal identifiers of 10 or more individuals.

(b) "Personal identifier" means a name, social security number, telephone number, street address, post-office box number or 9-digit extended zip code.

(2) If a form that the department or a credentialing board requires an individual to complete in order to apply for a credential or credential renewal or to obtain a product or service from the department or the credentialing board requires the individual to provide any of the individual's personal identifiers, the form shall include a place for the individual to declare that the individual's personal identifiers obtained by the department or the credentialing board from the information on the form may not be disclosed on any list that the department or the credentialing board furnishes to another person.

(3) If the department or a credentialing board requires an individual to provide, by telephone or other electronic means, any of the individual's personal identifiers in order to apply for a credential or credential renewal or to obtain a product or service from the department or a credentialing board, the department or the credentialing board shall ask the individual at the time that the individual provides the information if the individual wants to declare that the individual's personal identifiers obtained by telephone or other electronic means may not be disclosed on any list that the department or the credentialing board furnishes to another person.

(4) The department or a credentialing board shall provide to an individual upon request a form that includes a place for the individual to declare that the individual's personal identifiers obtained by the department or credentialing board may not be disclosed on any list that the department or credentialing board furnishes to another person.

(5) (a) The department or a credentialing board may not disclose on any list that it furnishes to another person a personal identifier of any individual who has made a declaration under sub.(2), (3) or (4).

(b) Paragraph (a) does not apply to a list that the department or a credentialing board furnishes to another state agency, a law enforcement agency or a federal governmental agency. In addition, par.(a) does not apply to a list that the department or the board of nursing furnishes to the coordinated licensure information system under s. 441.50 (7). A state agency that receives a list from the department or a credentialing board containing a personal identifier of any individual who has made a declaration under sub.(2), (3) or (4) may not disclose the personal

identifier to any person other than a state agency, a law enforcement agency or a federal governmental agency.

History: 1999 a. 88; 2001 a. 66.

440.142 Reporting potential causes of public health emergency. (1) A pharmacist or pharmacy shall report to the department of health and family services all of the following:

(a) An unusual increase in the number of prescriptions dispensed or nonprescription drug products sold for the treatment of medical conditions specified by the department of health and family services by rule under s. 252.02 (7).

(b) An unusual increase in the number of prescriptions dispensed that are antibiotic drugs.

(c) The dispensing of a prescription for treatment of a disease that is relatively uncommon or may be associated with bioterrorism, as defined in s. 166.02 (Ir).

(2) (a) Except as provided in par.(b), a pharmacist or pharmacy may not report personally identifying information concerning an individual who is dispensed a prescription or who purchases a nonprescription drug product as specified in sub.(1) (a), (b), or (c).

(b) Upon request by the department of health and family services, a pharmacist or pharmacy shall report to that department personally identifying information other than a social security number concerning an individual who is dispensed a prescription or who purchases a nonprescription drug product as specified in sub.(1) (a), (b), or (c).

History: 2001 a. 109.

440.20 Disciplinary proceedings. (1) Any person may file a complaint before the department or any examining board, affiliated credentialing board or board in the department and request the department, examining board, affiliated credentialing board or board to commence disciplinary proceedings against any holder of a credential.

(3) The burden of proof in disciplinary proceedings before the department or any examining board, affiliated credentialing board or board in the department is a preponderance of the evidence.

(4) In addition to any grounds for discipline specified in chs. 440 to 480, the department or appropriate examining board, affiliated credentialing board or board in the department may reprimand the holder of a credential or deny, limit, suspend or revoke the credential of any person who intentionally violates s. 252.14 (2) or intentionally discloses the results of a blood test in violation of s. 252.15 (5) (a) or (5m).

History: 1977 c. 418, 1979 c. 34; 1985 a. 29; 1989 a. 31,201; 1991 a. 39; 1993 a. 16,27, 102, 107,490

The constitutionality of sub.(3) is upheld. *Gandhi v. Medical Examining Board*, 168 Wis. 2d 299,483 N.W.2d 295 (Ct. App. 1992).

A hearing is not required for a complaint filed under this section. 68 Atty. Gen. 30.

The "preponderance of the evidence" burden of proof under sub.(3) does not violate the due process rights of a licensee. 75 Atty. Gen. 76.

440.205 Administrative warnings. If the department or a board, examining board or affiliated credentialing board in the department determines during an investigation that there is evidence of misconduct by a credential holder, the department, board, examining board or affiliated credentialing board may close the investigation by issuing an administrative warning to the credential holder. The department or a board, examining board or affiliated credentialing board may issue an administrative warning under this section only if the department or board, examining board or affiliated credentialing board determines that no further action is warranted because the complaint involves a first occurrence of a minor violation and the issuance of an administrative warning adequately protects the public by putting the credential holder on notice that any subsequent violation may result in disciplinary action. If an administrative warning is issued, the Credential holder may obtain a review of the administrative warning through a personal appearance before the department, board, examining board or affiliated credentialing board that issued the administrative warning. Administrative warnings do not constitute an adjudication of guilt or the imposition of discipline and may not be used as evidence that the credential holder is guilty of the alleged misconduct. However, if a subsequent allegation of misconduct by the credential holder is received by the department or a board, examining board or affiliated credentialing board in the department, the matter relating to the issuance of the administrative warning may be reopened and

disciplinary proceedings may be commenced on the matter, or the administrative warning may be used in any subsequent disciplinary proceeding as evidence that the credential holder had actual knowledge that the misconduct that was the basis for the administrative warning was contrary to law. The record that an administrative warning was issued shall be a public record. The contents of the administrative warning shall be private and confidential. The department shall promulgate rules establishing uniform procedures for the issuance and use of administrative warnings.

History: 1997 a. 139.

Cross reference: See also ch. RL 8, Wis. adm. code.

440.21 Enforcement of laws requiring credential. (1) The department may conduct investigations, hold hearings and make findings as to whether a person has engaged in a practice or used a title without a credential required under chs. 440 to 480.

(2) If, after holding a public hearing, the department determines that a person has engaged in a practice or used a title without a credential required under chs. 440 to 480, the department may issue a special order enjoining the person from the continuation of the practice or use of the title.

(3) In lieu of holding a public hearing, if the department has reason to believe that a person has engaged in a practice or used a title without a credential required under chs. 440 to 480, the department may petition the circuit court for a temporary restraining order or an injunction as provided in ch. 813.

(4) (a) Any person who violates a special order issued under sub.(2) may be required to forfeit not more than \$10,000 for each offense. Each day of continued violation constitutes a separate offense. The attorney general or any district attorney may commence an action in the name of the state to recover a forfeiture under this paragraph.

(b) Any person who violates a temporary restraining order or an injunction issued by a court upon a petition under sub.(3) may be fined not less than \$25 nor more than \$5,000 or imprisoned for not more than one year in the county jail or both.

History: 1991 a. 39; 1993 a. 102.

Cross reference: See also ch. RL 3, Wis. adm. code.

440.22 Assessment of costs. (1) In this section, "costs of the proceeding" means the compensation and reasonable expenses of hearing examiners and of prosecuting attorneys for the department, examining board or affiliated credentialing board, a reasonable disbursement for the service of process or other papers, amounts actually paid out for certified copies of records in any public office, postage, telephoning, adverse examinations and depositions and copies, expert witness fees, witness fees and expenses, compensation and reasonable expenses of experts and investigators, and compensation and expenses of a reporter for recording and transcribing testimony.

(2) In any disciplinary proceeding against a holder of a credential in which the department or an examining board, affiliated credentialing board or board in the department orders suspension, limitation or revocation of the credential or reprimands the holder, the department, examining board, affiliated credentialing board or board may, in addition to imposing discipline, assess all or part of the costs of the proceeding against the holder. Costs assessed under this subsection are payable to the department. Interest shall accrue on costs assessed under this subsection at a rate of 12% per year beginning on the date that payment of the costs are due as ordered by the department, examining board, affiliated credentialing board or board. Upon the request of the department of regulation and licensing, the department of justice may commence an action to recover costs assessed under this subsection and any accrued interest.

(3) In addition to any other discipline imposed, if the department, examining board, affiliated credentialing board or board assesses costs of the proceeding to the holder of the credential under sub.(2), the department, examining board, affiliated credentialing board or board may not restore, renew or otherwise issue any credential to the holder until the holder has made payment to the department under sub.(2) in the full amount assessed, together with any accrued interest.

History: 1987 a. 27; 1991 a. 39; 1993 a. 107; 1997 a. 27.

The collection of costs assessed under this section may not be pursued in an independent action for a money judgment. The costs may be collected only as a

condition of reinstatement of the disciplined practitioner's credentials. State v. Dunn, 213 Wis. 2d 363, 570 N.W.2d 614 (Ct. App. 1997).

440.23 Cancellation of credential; reinstatement. (b) the holder of a credential pays a fee required under s. 440.05 (1) or (6), 440.08, 444.03, 444.05, 444.11 or 459.46 (2) (b) by check or debit or credit card and the check is not paid by the financial institution upon which the check is drawn or if the demand for payment under the debit or credit card transaction is not paid by the financial institution upon which demand is made, the department may cancel the credential on or after the 60th day after the department receives the notice from the financial institution, subject to sub.(2).

(2) At least 20 days before canceling a credential, the department shall mail a notice to the holder of the credential that informs the holder that the check or demand for payment under the debit or credit card transaction was not paid by the financial institution and that the holder's credential may be canceled on the date determined under sub.(1) unless the holder does all of the following before that date:

(a) Pays the fee for which the unpaid check or demand for payment under the credit or debit card transaction was issued.

(b) If the fee paid under par.(a) is for renewal and the credential has expired, pays the applicable penalty for late renewal specified in s. 440.08 (3).

(c) Pays the charge for an unpaid draft established by the depository selection board under s. 20.905 (2).

(3) Nothing in sub.(1) or (2) prohibits the department from extending the date for cancellation to allow the holder additional time to comply with sub.(2) (a) to (c).

(4) A cancellation of a credential under this section completely terminates the credential and all rights, privileges and authority previously conferred by the credential.

(5) The department may reinstate a credential that has been canceled under this section only if the previous holder complies with sub.(2) (a) to (c) and pays a \$30 reinstatement fee.

History: 1989 a. 31; 1991 a. 39, 189, 269, 278, 315; 1993 a. 16; 1995 a. 27; 1999 a. 9.

440.25 Judicial review. The department may seek judicial review under ch. 227 of any final disciplinary decision of the medical examining board or affiliated credentialing board attached to the medical examining board. The department shall be represented in such review proceedings by an attorney within the department. Upon request of the medical examining board or the interested affiliated credentialing board, the attorney general may represent the board. If the attorney general declines to represent the board, the board may retain special counsel which shall be paid for out of the appropriation under s. 20.165 (1) (g).

History: 1985 a. 340; 1993 a. 107.

CHAPTER 480

AUCTIONEER BOARD

480.01 Definitions.
 480.02 Applicability.
 480.04 General duties and powers of board.
 480.06 Rules; review of rules.
 480.08 Registration.
 480.10 Auctioneer examination.
 480.12 Reciprocity.

480.14 Conduct of auctions.
 480.16 Trust accounts.
 480.18 Maintenance of records by auctioneers
 480.20 Advertisements of auctions.
 480.22 Auction consumer protection fund.
 480.24 Disciplinary proceedings and actions.
 480.26 Penalties.

Cross-reference: See definitions in s. 440.01.

Cross Reference: See also chs. RL 120, 121, 122, 123, 124, 125, 126, 127, and 128, Wis. adm. code.

480.01 Definitions. In this chapter:

(1) "Auction" means a sale transaction conducted by means of oral or written exchanges between an auctioneer and prospective purchasers of goods or real estate that consist of a series of invitations made by the auctioneer to the prospective purchasers for offers for the purchase of goods or real estate and that culminate in the acceptance by the auctioneer of the highest or *most* favorable offer made by one of the prospective purchasers.

(2) "Auction company" means a person who manages an auction or who has primary responsibility for handling sales proceeds, downpayments, earnest money deposits or other trust funds received by an auctioneer, the person's principal or any other person at or as a result of an auction.

(3) "Auction company representative" means:

- (a) If the auction company is an individual, that individual.
- (b) If the auction company is a partnership, association or corporation, any partner of the partnership, officer or director of the association or officer or director of the corporation.

(4) "Auctioneer" means an individual who engages in, or who by advertising or otherwise holds himself or herself out as being available to engage in, the calling for and the recognition and acceptance of offers for the purchase of goods or real estate at an auction.

(5) "Board" means the auctioneer board.

(6) "Registrant" means a person who is registered under this chapter.

History: 1993 a. 102.

480.02 Applicability. (1) This chapter applies after February 28, 1995.

(2) This chapter does not apply to any of the following:

- (a) An auction conducted by or under the direction of an official of the United States or of this state or a county, city, village or town in this state.
- (b) An auction required by a court order or judgment.
- (c) A sale of goods or real estate required by law to be a sale by auction.
- (d) An auction conducted by the owner of the goods or real estate for sale if the owner has held the goods or real estate for his or her personal use for at least one year immediately preceding the date of the auction.
- (e) An auction conducted by or under the direction of a religious, fraternal or benevolent society, a school or a nonprofit organization.

(f) An auction conducted by or under the direction of a political organization or candidate if the proceeds of the auction will be used for political purposes.

(g) An auction in which the total appraised value of the goods or services for sale is less than \$500.

(h) Fur auctions and fur auctioneers licensed by the department of natural resources under ch. 29.

(i) Motor vehicle auction dealers licensed by the department of transportation under subch. VIII of ch. 218.

(j) A person, other than a licensee as defined in s. 452.01 (5), who conducts an auction, or manages or has primary responsibility for handling sales proceeds, downpayments, earnest money deposits or other trust funds received at or as a result of an auction, while lawfully practicing within the scope of a license, permit or certificate granted to that person by a state governmental agency other than the department.

History: 1993 a. 102.

480.04 General duties and powers of board. (1) In addition to the other duties and powers of the board under this chapter, the board shall advise the secretary on matters relating to auctioneers or auction companies or to the board.

(2) The board does not have rule-making authority.

History: 1993 a. 102.

480.06 Rules; review of rules. (1) Before submitting any proposed rules relating to auctioneers or auction companies or to the board to the legislative council staff under s. 227.15, the department shall submit the proposed rules to the board for comment. The board shall have 30 days to submit comments on the proposed rules to the secretary.

(2) When promulgating emergency rules under s. 227.24, the department shall provide a copy of the rules to the board prior to publication of the rules in the official state newspaper.

(3) The chairperson of the board, or his or her designee from the board, may cochair with the secretary, or the secretary's designee, any public hearing held by the department on proposed rules relating to auctioneers or auction companies or to the board.

(4) The department shall submit to the board a copy of the report required under s. 227.19 (2) on any proposed final rules relating to auctioneers or auction companies or to the board. The board may prepare a dissenting report stating its recommendations on the proposed final rules. Any dissenting report shall be prepared within 10 days from the date of receipt of the department's report, attached to the department's report and sent to the presiding officer of each house of the legislature and distributed under s. 227.19 (2). The department shall publish a statement to appear in the Wisconsin administrative register indicating that a dissenting report of the board has been submitted to the presiding officer of each house of the legislature.

(5) The department shall provide staff to assist the board in the review of administrative rules and preparation of comments or dissenting reports.

History: 1993 a. 102.

Cross Reference: See also chs. RL 120, 121, 122, 123, 124, 125, 126, 127, and 128, Wis. adm. code.

480.08 Registration. (1) REGISTRATION REQUIRED (a) No person may act as an auctioneer or use the title "auctioneer", "registered auctioneer", "certified auctioneer", "licensed auctioneer"

or any similar title unless the person is registered as an auctioneer under this chapter.

(b) No person may act as an auction company unless the person is registered as an auction company or as an auctioneer under this chapter.

(2) AUCTIONEER REGISTRATION. The department shall register as an auctioneer an individual who is at least 18 years old and does all of the following:

(a) Submits an application for registration as an auctioneer to the department on a form provided by the department.

(b) Pays the fee specified in s. 440.05 (1).

(c) Subject to ss. 111.321, 111.322 and 111.335, submits evidence satisfactory to the department that he or she does not have an arrest or conviction record.

(d) Submits evidence satisfactory to the department that he or she holds a current permit issued under s. 77.52 (9).

(e) Passes an examination conducted by the department to determine fitness as an auctioneer.

(2m) EXAMINATION NOT REQUIRED. Notwithstanding sub. (2) (c), the department shall register as an auctioneer under sub. (2) an individual who, not later than December 1, 1997, satisfies the requirements under sub. (2) (intro.) and (a) to (d); submits to the department a statement, signed by the individual, verifying that he or she has knowledge of the requirements for auctioneers under ss. 29.501, 402.328 and 406.108, subch. III of ch. 77, subch. VIII of ch. 218, this chapter, and all other state laws that include requirements for auctioneers; and submits evidence satisfactory to the department that he or she has done any of the following:

(a) Been practicing as an auctioneer in this state for at least one year during the 2-year period immediately preceding the date on which the application is submitted, and has either conducted at least 2 auctions in this state or has had primary responsibility for handling the proceeds of at least 2 auctions in this state during the 2-year period immediately preceding the date on which the application is submitted.

(b) Had experience conducting auctions in this state or handling the proceeds of auctions in this state during the 5-year period immediately preceding the date on which the application is submitted that is substantially equivalent to the experience described in par. (a) in preparing the applicant to practice as an auctioneer in this state in a manner that does not adversely affect the public health, safety or welfare.

(3) AUCTION COMPANY REGISTRATION. The department shall register as an auction company a person who is not registered as an auctioneer under this chapter and does all of the following:

(a) Submits an application for registration as an auction company to the department on a form provided by the department.

(b) Pays the fee specified in s. 440.05 (1).

(c) Subject to ss. 111.321, 111.322 and 111.335, submits evidence satisfactory to the department that the person does not have an arrest or conviction record and, if the person is a partnership, association or corporation, that no partner of the partnership, officer or director of the association or officer or director of the corporation has an arrest or conviction record.

(d) Submits evidence satisfactory to the department that the person holds a current permit issued under s. 77.52 (9).

(4) ISSUANCE OF CERTIFICATE. The department shall issue a certificate of registration to each registrant.

(5) EXPIRATION AND RENEWAL. The renewal date and renewal fee for certificates granted under this chapter, other than temporary certificates granted under sub. (7), are specified under s. 440.08 (2) (a). Renewal applications shall include evidence satisfactory to the department that the applicant holds a current permit issued under s. 77.52 (9). A renewal application for an auctioneer certificate shall be accompanied by proof of completion of continuing education requirements under sub. (6).

(6) AUCTIONEER CONTINUING EDUCATION. The department may promulgate rules establishing requirements and procedures for registered auctioneers to complete continuing education programs or courses of study in order to qualify for renewal.

(7) TEMPORARY AUCTIONEER CERTIFICATE. (a) Upon application, the department shall register as an auctioneer and issue a temporary certificate of registration to an individual who satisfies the requirements under sub. (2) (intro.) and (a) to (d) and has submitted an application to take the next available examination for registration as an auctioneer under s. 480.10.

(b) A temporary certificate issued under this subsection shall be valid for a period designated by the department, not to exceed one year, and may not be renewed. An applicant for a temporary certificate shall pay the fee specified in s. 440.05 (6).

History: 1993 a. 102; 1995 a. 225; 1997 a. 248.

Cross Reference: See also chs. RL 121, 122, and 128, Wis. adm. code.

480.10 Auctioneer examination. (1) The department shall conduct examinations for auctioneer registration at least semi-annually at times and places determined by the department. The department shall provide public notice of each examination at least 60 days before the date of the examination.

(2) Examinations shall consist of written or oral tests, or both, requiring applicants to demonstrate minimum competency in services and subjects substantially related to conducting an auction.

(3) An individual is not eligible for examination unless the individual has satisfied the requirements for registration under s. 480.08 (2) (intro.) and (a) to (d) at least 30 days before the date of the examination.

(4) The department shall promulgate rules establishing standards for public notice of examinations and for acceptable examination performance by an applicant for registration as an auctioneer.

History: 1993 a. 102.

Cross Reference: See also chs. RL 121 and 122, Wis. adm. code.

480.12 Reciprocity. (1) Upon application and payment of the fee specified in s. 440.05 (2), the department shall register as an auctioneer an individual who holds an auctioneer certificate in another state if the department determines that the requirements for obtaining the certificate in the other state are substantially equivalent to the requirements under s. 480.08 (2).

(2) The department may enter into reciprocal agreements with officials of other states for registering auctioneers and issue certificates to applicants who are registered in those states according to the terms of the reciprocal agreements.

History: 1993 a. 102.

480.14 Conduct of auctions. (1) No auctioneer may conduct an auction unless the auctioneer or the auction company that is managing the auction has entered into a written contract with each owner or consignor of goods or real estate that may be sold at the auction. The contract shall specify the terms and conditions upon which the auctioneer or auction company accepts the goods or real estate for sale.

(2) An auctioneer shall comply with all reasonable requests of each owner or consignor of goods or real estate that may be sold at an auction that is conducted by the auctioneer and shall conduct the auction in a manner that ensures that the highest or most favorable offer for the goods or real estate is accepted.

(3) Unless otherwise provided by the terms of a contract described under sub. (1), within 30 days after the sale of goods or real estate at an auction, the auctioneer who conducts the auction shall do all of the following:

(a) Provide to each owner or consignor of goods or real estate that was sold or attempted to be sold at the auction an accounting of all moneys due the owner or consignor.

(b) Pay to each owner or consignor of goods or real estate that was sold at the auction all moneys due the owner or consignor.

(4) An auctioneer shall comply with all requirements for auctioneers under ss. 402.328 and 406.108 and the rules promulgated under ss. 402.328 and 406.108.

History: 1993 a. 102.

Cross Reference: See also chs. RL 124, 125, and 127, Wis. adm. code.

480.16 Trust accounts. All downpayments, earnest money deposits or other trust funds received by an auctioneer or auction company on behalf of the auctioneer's or auction company's principal or any other person shall be deposited in a common trust account maintained by the auctioneer or auction company for that purpose in a bank, savings and loan association or credit union which is authorized to do business in this state and is designated by the auctioneer or auction company pending the consummation or termination of the transaction, except that the money may be paid to one of the parties pursuant to an agreement between the parties. The name of the bank, savings and loan association or credit union shall at all times be registered with the department, along with a letter authorizing the department to examine and audit the trust account when the department determines that an examination or audit of the trust account is necessary.

History: 1993 a. 102.

Cross Reference: See also chs. RL 125 and 127, Wis. adm. code.

480.18 Maintenance of records by auctioneers.

(1) Unless a longer period of retention is required under sub. (2), for at least 2 years after an auctioneer conducts an auction, the auctioneer shall maintain complete and accurate records of the auction, including the name and address of each owner or consignor of goods or real estate that was sold or attempted to be sold at the auction, a description of the goods or real estate that was sold or attempted to be sold at the auction, the originals or true copies of the contracts described in s. 480.14 (1) and accounts of all moneys received and disbursed at or as a result of the auction.

(2) An auctioneer shall retain the records described in sub. (1) for at least 2 years after the termination of any litigation related to any goods or real estate that was sold or attempted to be sold at an auction conducted by the auctioneer.

(3) An auctioneer shall, upon reasonable notice, make the records described in sub. (1) available for inspection and copying by the department or the board.

History: 1993 a. 102.

Cross Reference: See also ch. RL 125, Wis. adm. code.

480.20 Advertisements of auctions. No person may advertise that an auction will be conducted unless the advertisement includes all of the following:

(1) The name of the auctioneer who will conduct the auction and the name of any auction company that is managing the auction.

(2) A statement that the auctioneer under sub. (1) is a "registered Wisconsin auctioneer".

History: 1993 a. 102.

480.22 Auction consumer protection fund. (1) In this section, "consumer" means a person who has purchased or intends to purchase goods or real estate at an auction.

(2) If the department determines that the establishment of a consumer protection fund is necessary to protect consumers and reimburse consumers who claim losses resulting from the illegal, unprofessional or unethical conduct of auctioneers or auction companies, the department shall prepare a report that includes relevant data related to consumers and a recommendation to establish a consumer protection fund that is similar to the cemetery consumer protection fund described in s. 440.92 (8), 1991 stats., and shall submit the report to the legislature under s. 13.172 (2).

History: 1993 a. 102, 491.

480.24 Disciplinary proceedings and actions. (1) Subject to the rules promulgated under s. 440.03 (1), the board may

make investigations or conduct hearings to determine whether a violation of this chapter or any rule promulgated under this chapter has occurred. The board may require a registrant or an auction company representative of an auction company that is a registrant to undergo and may consider the results of one or more physical, mental or professional competency examinations if the board believes that the results of any of those examinations may be useful to the board in conducting its investigation.

(2) Subject to the rules promulgated under s. 440.03 (1), the board may reprimand a registrant or deny, limit, suspend or revoke a certificate under this chapter if it finds that the applicant or registrant or an auction company representative of an auction company that is an applicant or registrant has done any of the following:

(a) Made a material misstatement in an application for a certificate or renewal of a certificate.

(b) Engaged in conduct while practicing as an auctioneer or as an auction company which evidences a lack of knowledge or ability to apply professional principles or skills.

(c) Subject to ss. 111.321, 111.322 and 111.335, been arrested or convicted of an offense committed while registered under this chapter.

(d) Advertised in a manner which is false, deceptive or misleading.

(e) Advertised, practiced or attempted to practice as an auctioneer or as an auction company under another person's name.

(f) Allowed the registrant's name to be used by another person while the other person was practicing or attempting to practice as an auctioneer or as an auction company.

(g) Subject to ss. 111.321, 111.322 and 111.34, practiced as an auctioneer or as an auction company while the individual's ability to practice was impaired by alcohol or other drugs.

(h) Failed to obtain a permit under s. 77.52 (9).

(i) Failed to submit to a physical, mental or professional competency examination required under sub. (1) or (3)(a).

(j) Violated this chapter or any rule promulgated under this chapter.

(3) The board may, as a condition of removing a limitation imposed under this chapter on a certificate issued under this chapter or of reinstating a certificate that has been suspended or revoked under this chapter, do any of the following:

(a) Require the registrant or an auction company representative of an auction company that is a registrant to obtain minimum results specified by the board on one or more physical, mental or professional competency examinations if the board determines that obtaining the minimum results is related to correcting one or more of the bases upon which the limitation, suspension or revocation was imposed.

(b) Require the registrant to obtain insurance against loss, expense and liability resulting from errors and omissions or neglect in the performance of services as an auctioneer or as an auction company.

(c) Require the registrant to file with the department a bond that is furnished by a company authorized to do business in this state and is in an amount approved by the department.

History: 1993 a. 102; 1995 a. 27; 1997 a. 191.

Cross Reference: See also ch. RL 126, Wis. adm. code.

480.26 Penalties. (1) Any person who violates this chapter or any rule promulgated under this chapter may be fined not more than \$1,000 or imprisoned for not more than 6 months or both.

(2) In addition to or in lieu of the penalties under sub. (1) and the remedies under s. 480.24, any person who violates this chapter or any rule promulgated under this chapter may be required to forfeit not more than \$1,000 for each separate offense. Each day of continued violation constitutes a separate offense.

History: 1993 a. 102.

Chapter RL 1

PROCEDURES TO REVIEW DENIAL OF AN APPLICATION

RL 1.01	Authority and scope.
RL 1.03	Definitions.
RL 1.04	Examination failure: retake and hearing.
RL 1.05	Notice of intent to deny and notice of denial.
RL 1.06	Parties to a denial review proceeding.
RL 1.07	Request for hearing.

RL 1.08	Procedure.
RL 1.09	Conduct of hearing.
RL 1.10	Service.
RL 1.11	Failure to appear.
RL 1.12	Withdrawal of request.
RL 1.13	Transcription fees.

RL 1.01 Authority and scope. Rules in this chapter are adopted under authority in s. 440.03 (1), Stats., for the purpose of governing review of a decision to deny an application. Rules in this chapter do not apply to denial of an application for renewal of a credential. Rules in this chapter shall apply to applications received on or after July 1, 1996.

Note: Procedures used for denial of an application for renewal of a credential are found in Ch. RL 2, Wis. Admin. Code and s. 227.01 (3) (b), Stats.

History: Cr. Register, October, 1985, No. 358, eff. 11-1-85; **am., Register, July, 1996, No. 487, eff. 8-1-96.**

RL 1.02 Scope. **History:** Cr. Register, October, 1985, No. 358, eff. 11-1-85; **r., Register, July, 1996, No. 487, eff. 8-1-96.**

RL 1.03 Definitions. In this chapter:

(1) "Applicant" means any person who applies for a credential from the applicable credentialing authority. "Person" in this subsection includes a business entity.

(2) "Credential" means a license, permit, or certificate of certification or registration that is issued under chs. 440 to 480, Stats.

(3) "Credentialing authority" means the department or an attached examining board, affiliated credentialing board or board having authority to issue or deny a credential.

(4) "Denial review proceeding" means a class 1 proceeding as defined in s. 227.01 (3) (a), Stats., in which a credentialing authority reviews a decision to deny a completed application for a credential.

(5) "Department" means the department of regulation and licensing.

(6) "Division" means the division of enforcement in the department.

History: Cr. Register, October, 1985, No. 358, eff. 11-1-85; correction in (4) made under s. 13.93 (2m) (h) 7., **Stab., Register, May, 1988, No. 389; am. (1), (4), r. (2), renum. (3) to be (5). cr. (2), (3), (6), Register, July, 1996, No. 487, eff. 8-1-96.**

RL 1.04 Examination failure: retake and hearing.

(1) An applicant may request a hearing to challenge the validity, scoring or administration of an examination if the applicant has exhausted other available administrative remedies, including, but not limited to, internal examination review and regrading, and if either:

(a) The applicant is no longer eligible to retake a qualifying examination.

(b) Reexamination is not available within 6 months from the date of the applicant's last examination.

(2) A failing score on an examination does not give rise to the right to a hearing if the applicant is eligible to retake the examination and reexamination is available within 6 months from the date of the applicant's last examination.

Note: An applicant is not eligible for a license until his or her application is complete. An application is not complete until an applicant has submitted proof of having successfully passed any required qualifying examination. If an applicant fails the qualifying examination, but has the right to retake it within 6 months, the applicant is not entitled to a hearing under this chapter.

History: Cr., Register, July, 1996, No. 487, eff. 8-1-96.

RL 1.05 Request for hearing. **History:** Cr. Register, October, 1985, No. 358, eff. 11-1-85; corrections in (2) (a) and (b) made under s. 13.93 (2m) (b) 7., Stats., Register, May, 1988, No. 389; **r. Register, July, 1996, No. 487, eff. 8-1-96.**

RL 1.05 Notice of intent to deny and notice of denial.

(1) NOTICE OF INTENT TO DENY. (a) A notice of intent to deny may

be issued upon an initial determination that the applicant does not meet the eligibility requirements for a credential. A notice of intent to deny shall contain a short statement in plain language of the basis for the anticipated denial, specify the statute, rule or other standard upon which the denial will be based and state that the application shall be denied unless, within 45 calendar days from the date of the mailing of the notice, the credentialing authority receives additional information which shows that the applicant meets the requirements for a credential. The notice shall be substantially in the form shown in Appendix I.

(b) If the credentialing authority does not receive additional information within the 45 day period, the notice of intent to deny shall operate as a notice of denial and the 45 day period for requesting a hearing described in s. RL 1.07 shall commence on the date of mailing of the notice of intent to deny.

(c) If the credentialing authority receives additional information within the 45 day period which fails to show that the applicant meets the requirements for a credential, a notice of denial shall be issued under sub. (2).

(2) NOTICE OF DENIAL. If the credentialing authority determines that an applicant does not meet the requirements for a credential, the credentialing authority shall issue a notice of denial in the form shown in Appendix II. The notice shall contain a short statement in plain language of the basis for denial, specify the statute, rule or other standard upon which the denial is based, and be substantially in the form shown in Appendix II.

History: Cr., Register, July, 1996, eff. 8-1-96.

RL 1.06 Parties to a denial review proceeding. Parties to a denial review proceeding are the applicant, the credentialing authority and any person admitted to appear under s. 227.44 (2m), Stats.

History: Cr. Register, October, 1985, No. 358, eff. 11-1-85; **renum. from RL 1.04 and am., Register, July, 1996, No. 487, eff. 8-1-96.**

RL 1.07 Request for hearing. An applicant may request a hearing within 45 calendar days after the mailing of a notice of denial by the credentialing authority. The request shall be in writing and set forth all of the following:

(1) The applicant's name and address.

(2) The type of credential for which the applicant has applied.

(3) A specific description of the mistake in fact or law which constitutes reasonable grounds for reversing the decision to deny the application for a credential. If the applicant asserts that a mistake in fact was made, the request shall include a concise statement of the essential facts which the applicant intends to prove at the hearing. If the applicant asserts a mistake in law was made, the request shall include a statement of the law upon which the applicant relies.

History: Cr., Register, July, 1996, No. 487, eff. 8-1-96.

RL 1.08 Procedure. The procedures for a denial review proceeding are:

(1) REVIEW OF REQUEST FOR HEARING. Within 45 calendar days of receipt of a request for hearing, the credentialing authority or its designee shall grant or deny the request for a hearing on a denial of a credential. A request shall be granted if requirements in s. RL 1.07 are met, and the credentialing authority or its designee shall

notify the applicant of the time, place and nature of the hearing. If the requirements in s. RL 1.07 are not met, a hearing shall be denied, and the credentialing authority or its designee shall inform the applicant in writing of the reason for denial. For purposes of a petition for review under s. 227.52, Stats., a request is denied if a response to a request for hearing is not issued within 45 calendar days of its receipt by the credentialing authority.

(2) DESIGNATION OF PRESIDING OFFICER. An administrative law judge employed by the department shall preside over denial hearings, unless the credentialing authority designates otherwise. The administrative law judge shall be an attorney in the department designated by the department general counsel, an employee borrowed from another agency pursuant to s. 20.901, Stats., or a person employed as a special project or limited term employee by the department, except that the administrative law judge may not be an employee in the division.

(3) DISCOVERY. Unless the parties otherwise agree, no discovery is permitted, except for the taking and preservation of evidence as provided in ch. 804, Stats., with respect to witnesses described in s. 227.45 (7) (a) to (d), Stats. An applicant may inspect records under s. 19.35, Stats., the public records law.

(4) BURDEN OF PROOF. The applicant has the burden of proof to show by evidence satisfactory to the credentialing authority that the applicant meets the eligibility requirements set by law for the credential.

History: Cr., Register, July, 1996, No. 487, eff. 8-1-96.

RL 1.09 Conduct of hearing. (1) RECORD. A stenographic, electronic or other record shall be made of all hearings in which the testimony of witnesses is offered as evidence, and of other oral proceedings when requested by a party.

(2) ADJOURNMENTS. The presiding officer may, for good cause, grant continuances, adjournments and extensions of time.

(3) SUBPOENAS (a) Subpoenas for the attendance of any witness at a hearing in the proceeding may be issued in accordance with s. 227.45 (6m), Stats.

(b) A presiding officer may issue protective orders according to the provisions of s. 805.07, Stats.

(4) MOTIONS. All motions, except those made at hearing, shall be in writing, filed with the presiding officer and a copy served upon the opposing party not later than 5 days before the time specified for hearing the motion.

(5) EVIDENCE The credentialing authority and the applicant shall have the right to appear in person or by counsel, to call, examine and cross-examine witnesses and to introduce evidence into the record. If the applicant submits evidence of eligibility for a credential which was not submitted to the credentialing authority prior to denial of the application, the presiding officer may request the credentialing authority to reconsider the application and the evidence of eligibility not previously considered.

(6) BRIEFS. The presiding officer may require the filing of briefs.

(7) LOCATION OF HEARING. All hearings shall be held at the offices of the department in Madison unless the presiding officer determines that the health or safety of a witness or of a party or an emergency requires that a hearing be held elsewhere.

History: Cr., Register, July, 1996, No. 487, eff. 8-1-96.

RL 1.10 Service. Service of any document on an applicant may be made by mail addressed to the applicant at the last address filed in writing by the applicant with the credentialing authority. Service by mail is complete on the date of mailing.

History: Cr. Register, October, 1985, No. 358, eff. 11-1-85; renum. from RL 1.06 and am., Register, July, 1996, No. 487, eff. 8-1-96.

RL 1.11 Failure to appear. In the event that neither the applicant nor his or her representative appears at the time and place designated for the hearing, the credentialing authority may take action based upon the record as submitted. By failing to appear, an applicant waives any right to appeal before the credentialing authority which denied the license.

History: Cr. Register, October, 1985, No. 358, eff. 11-1-85; renum. from RL 1.07 and am., Register, July, 1996, No. 487, eff. 8-1-96.

RL 1.12 Withdrawal of request. A request for hearing may be withdrawn at any time. Upon receipt of a request for withdrawal, the credentialing authority shall issue an order affirming the withdrawal of a request for hearing on the denial.

History: Cr., Register, July, 1996, No. 487, eff. 8-1-96.

RL 1.13 Transcription fees. (1) The fee charged for a transcript of a proceeding under this chapter shall be computed by the person or reporting service preparing the transcript on the following basis:

(a) If the transcript is prepared by a reporting service, the fee charged for an original transcription and for copies shall be the amount identified in the state operational purchasing bulletin which identifies the reporting service and its fees.

(b) If a transcript is prepared by the department, the department shall charge a transcription fee of \$1.75 per page and a copying charge of \$.25 per page. If 2 or more persons request a transcript, the department shall charge each requester a copying fee of \$.25 per page, but may divide the transcript fee equitably among the requesters. If the department has prepared a written transcript for its own use prior to the time a request is made, the department shall assume the transcription fee, but shall charge a copying fee of \$.25 per page.

(2) A person who is without means and who requires a transcript for appeal or other reasonable purposes shall be furnished with a transcript without charge upon the filing of a petition of indigency signed under oath. For purposes of this section, a determination of indigency shall be based on the standards used for making a determination of indigency under s. 977.07, Stats.

History: Cr., Register, July, 1996, No. 487, eff. 8-1-96.

Chapter RL 1
APPENDIX I
NOTICE OF INTENT TO DENY

[DATE]
[NAME and
ADDRESS OF APPLICANT]

Re: Application for [TYPE OF CREDENTIAL]; Notice of Intent to Deny

Dear [APPLICANT]:

PLEASE TAKE NOTICE that the state of Wisconsin [CREDENTIALING AUTHORITY] has reviewed your application for a [TYPE OF CREDENTIAL]. On the basis of the application submitted, the [CREDENTIALING AUTHORITY] intends to deny your application for reasons identified below unless, within 45 calendar days from the date of the mailing of this notice, the [CREDENTIALING AUTHORITY] receives additional information which shows that you meet the requirements for a credential.

[STATEMENT OF REASONS FOR DENIAL]

The legal basis for this decision is:

[SPECIFY THE STATUTE, RULE OR OTHER STANDARD UPON
WHICH THE DENIAL WILL BE BASED]

If the [CREDENTIALING AUTHORITY] does not receive additional information within the 45 day period, this notice of intent to deny shall operate as a notice of denial and the 45 day period you have for requesting a hearing shall commence on the date of mailing of this notice of intent to deny.

[Designated Representative of Credentialing Authority]

PLEASE NOTE that you have a right to a hearing on the denial of your application if you file a request for hearing in accordance with the provisions of Ch. RL 1 of the Wisconsin Administrative Code. If you do not submit additional information in support of your application, you may request a hearing within 45 calendar days after the mailing of this notice. Your request must be submitted in writing to the [CREDENTIALING AUTHORITY] at:

Department of Regulation and Licensing
1400 East Washington Avenue
P.O. Box 8935
Madison, WI 53708-8935

The request must contain your name and address, the type of credential for which you have applied, a specific description of the mistake in fact or law that you assert was made in the denial of your credential, and a concise statement of the essential facts which you intend to prove at the hearing. You will be notified in writing of the [CREDENTIALING AUTHORITY'S] decision. Under s. RL 1.08 of the Wisconsin Administrative Code, a request for a hearing is denied if a response to a request for a hearing is not issued within 45 days of its receipt by the [CREDENTIALING AUTHORITY]. Time periods for a petition for review begin to run 45 days after the [CREDENTIALING AUTHORITY] has received a request for a hearing and has not responded.

Chapter RL 1
APPENDIX II
NOTICE OF DENIAL

[DATE]
[NAME and
ADDRESS OF APPLICANT]

Re: Application for [TYPE OF CREDENTIAL]; Notice of Denial

Dear [APPLICANT]:

PLEASE TAKE NOTICE that the state of Wisconsin [CREDENTIALING AUTHORITY] has reviewed your application for a [TYPE OF CREDENTIAL] and denies the application for the following reasons:

[STATEMENT OF REASONS FOR DENIAL]

The legal basis for this decision is:

[SPECIFY THE STATUTE, RULE OR OTHER STANDARD UPON
WHICH THE DENIAL WILL BE BASED]

[Designated Representative of Credentialing Authority]

PLEASE NOTE that you have a right to a hearing on the denial of your application if you file a request for hearing in accordance with the provisions of Ch. RL 1 of the Wisconsin Administrative Code. You may request a hearing within 45 calendar days after the mailing of this notice of denial. Your request must be submitted in writing to the [CREDENTIALING AUTHORITY] at:

Department of Regulation and Licensing
1400 East Washington Avenue
P.O. Box 8935
Madison, WI 53708-8935

The request must contain your name and address, the type of credential for which you have applied, a specific description of the mistake in fact or law that you assert was made in the denial of your credential, and a concise statement of the essential facts which you intend to prove at the hearing. You will be notified in writing of the [CREDENTIALING AUTHORITY'S] decision. Under s. RL 1.08 of the Wisconsin Administrative Code, a request for a hearing is denied if a response to a request for a hearing is not issued within 45 days of its receipt by the [CREDENTIALING AUTHORITY]. Time periods for a petition for review begin to run 45 days after the [CREDENTIALING AUTHORITY] has received a request for a hearing and has not responded.

Chapter RL 2

PROCEDURES FOR PLEADING AND HEARINGS

RL 2.01	Authority.
RL 2.02	Scope; kinds of proceedings.
RL 2.03	Definitions.
RL 2.035	Receiving informal complaints.
RL 2.036	Procedure for settlement conferences.
RL 2.037	Parties to a disciplinary proceeding.
RL 2.04	Commencement of disciplinary proceedings.
RL 2.05	Pleadings to be captioned.
RL 2.06	Complaint.
RL 2.07	Notice of hearing.
RL 2.08	Service and filing of complaint, notice of hearing and other papers.

RL 2.09	Answer.
RL 2.10	Administrative law judge.
RL 2.11	Prehearing conference.
RL 2.12	Settlements.
RL 2.13	Discovery.
RL 2.14	Default.
RL 2.15	Conduct of hearing.
RL 2.16	Witness fees and costs.
RL 2.17	Transcription fees.
RL 2.18	Assessment of costs.

RL 2.01 Authority. The rules in ch. RL 2 are adopted pursuant to authority in s. 440.03 (1), Stats., and procedures in ch. 227, Stats.

History: Cr. Register, October, 1978, No. 274, eff. 11-1-78; am. Register, May, 1982, No. 317, eff. 6-1-82.

RL 2.02 Scope; kinds of proceedings. The rules in this chapter govern procedures in class 2 proceedings, as defined in s. 227.01 (3) (b), Stats., against licensees before the department and all disciplinary authorities attached to the department, except that s. RL 2.17 applies also to class 1 proceedings, as defined in s. 227.01 (3) (a), Stats.

History: Cr. Register, October, 1978, No. 274, eff. 11-1-78; am. Register, May, 1982, No. 317, eff. 6-1-82; corrections made under s. 13.93(2m)(b) 7., Stats., Register, May, 1988, No. 389; am. Register, June, 1992, No. 438, eff. 7-1-92.

RL 2.03 Definitions. In this chapter:

- (1) "Complainant" means the person who signs a complaint.
- (2) "Complaint" means a document which meets the requirements of ss. RL 2.05 and 2.06.
- (3) "Department" means the department of regulation and licensing.
- (4) "Disciplinary authority" means the department or the attached examining board or board having authority to revoke the license of the holder whose conduct is under investigation.
- (5) "Disciplinary proceeding" means a proceeding against one or more licensees in which a disciplinary authority may determine to revoke or suspend a license, to reprimand a licensee, to limit a license, to impose a forfeiture, or to refuse to renew a license because of a violation of law.
- (6) "Division" means the division of enforcement in the department.
- (7) "Informal complaint" means any written information submitted to the division or any disciplinary authority by any person which requests that a disciplinary proceeding be commenced against a licensee or which alleges facts, which if true, warrant discipline.
- (8) "Licensee" means a person, partnership, corporation or association holding any license, permit, certificate or registration granted by a disciplinary authority or having any right to renew a license, permit, certificate or registration granted by a disciplinary authority.
- (9) "Respondent" means the person against whom a disciplinary proceeding has been commenced and who is named as respondent in a complaint.
- (10) "Settlement conference" means a proceeding before a disciplinary authority or its designee conducted according to s. RL 2.036, in which a conference with one or more licensee is held to

attempt to reach a fair disposition of an informal complaint prior to the commencement of a disciplinary proceeding.

History: Cr. Register, October, 1978, No. 274, eff. 11-1-78; am. (1) and (6), renum. (7) and (8) to be (8) and (9), cr. (7), Register, May, 1982, No. 317, eff. 6-1-82; r. (1), renum. (2) to (4) to be (1) to (3), cr. (4) and (10), am. (5), (7) and (8), Register, June, 1992, No. 438, eff. 7-1-92.

RL 2.035 Receiving informal complaints. All informal complaints received shall be referred to the division for tiling, screening and, if necessary, investigation. Screening shall be done by the disciplinary authority, or, if the disciplinary authority directs, by a disciplinary authority member or the division. In this section, screening is a preliminary review of complaints to determine whether an investigation is necessary. considerations in screening include, but are not limited to:

- (1) Whether the person complained against is licensed;
- (2) Whether the violation alleged is a fee dispute;
- (3) Whether the matter alleged, if taken as a whole, is trivial; and
- (4) Whether the matter alleged is a violation of any statute, rule or standard of practice.

History: Cr. Register, May, 1982, No. 317, eff. 6-1-82; am. (intro.) and (3), Register, June, 1992, No. 438, eff. 7-1-92.

RL 2.036 Procedure for settlement conferences. At the discretion of the disciplinary authority, a settlement conference may be held prior to the commencement of a disciplinary proceeding, pursuant to the following procedures:

(1) **SELECTION OF INFORMAL COMPLAINTS.** The disciplinary authority or its designee may determine that a settlement conference is appropriate during an investigation of an informal complaint if the information gathered during the investigation presents reasonable grounds to believe that a violation of the laws enforced by the disciplinary authority has occurred. Considerations in making the determination may include, but are not limited to:

(a) Whether the issues arising out of the investigation of the informal complaint are clear, discrete and sufficiently limited to allow for resolution in the informal setting of a settlement conference; and

(b) Whether the facts of the informal complaint are undisputed or clearly ascertainable from the documents received during investigation by the division.

(2) **PROCEDURES.** When the disciplinary authority or its designee has selected an informal complaint for a possible settlement conference, the licensee shall be contacted by the division to determine whether the licensee desires to participate in a settlement conference. A notice of settlement conference and a description of settlement conference procedures, prepared on forms prescribed by the department, shall be sent to all participants in ad-

vance of any settlement conference. A settlement conference shall not be held without the consent of the licensee. No agreement reached between the licensee and the disciplinary authority or its designee at a settlement conference which imposes discipline upon the licensee shall be binding until the agreement is reduced to writing, signed by the licensee, and accepted by the disciplinary authority.

(3) ORAL STATEMENTS AT SETTLEMENT CONFERENCE. Oral statements made during a settlement conference shall not be introduced into or made part of the record in a disciplinary proceeding.

History: Cr. Register, June, 1992, No. 438, eff. 7-1-92.

RL 2.037 Parties to a disciplinary proceeding. Parties to a disciplinary proceeding are the respondent, the division and the disciplinary authority before which the disciplinary proceeding is heard.

History: Cr. Register, May, 1982, No. 317, eff. 6-1-82; renum. from KL 2.036 and am., Register, June, 1992, No. 438, eff. 7-1-92.

RL 2.04 Commencement of disciplinary proceedings. Disciplinary proceedings are commenced when a notice of hearing is filed in the disciplinary authority office or with a designated administrative law judge.

History: Cr. Register, February, 1979, No. 278, eff. 3-1-79; am. Register, June, 1992, No. 438, eff. 7-1-92.

RL 2.05 Pleadings to be captioned. All pleadings, notices, orders, and other papers filed in disciplinary proceedings shall be captioned: "BEFORE THE _____" and shall be entitled: "IN THE MATTER OF DISCIPLINARY PROCEEDINGS AGAINST _____, RESPONDENT."

History: Cr. Register, October, 1978, No. 274, eff. 11-1-78.

RL 2.06 Complaint. A complaint may be made on information and belief and shall contain:

(1) The name and address of the licensee complained against and the name and address of the complainant;

(2) A short statement in plain language of the cause for disciplinary action identifying with reasonable particularity the transaction, occurrence or event out of which the cause arises and specifying the statute, rule or other standard alleged to have been violated;

(3) A request in essentially the following form: "Wherefore, the complainant demands that the disciplinary authority hear evidence relevant to matters alleged in this complaint, determine and impose the discipline warranted, and assess the costs of the proceeding against the respondent;" and,

(4) The signature of the complainant.

History: Cr. Register, October, 1978, No. 274, eff. 11-1-78; am. (intro.), (3) and (4). Register, June, 1992, No. 438, eff. 7-1-92.

RL 2.07 Notice of hearing. **(1)** A notice of hearing shall be sent to the respondent at least 10 days prior to the hearing, unless for good cause such notice is impossible or impractical, in which case shorter notice may be given, but in no case may the notice be provided less than 48 hours in advance of the hearing.

(2) A notice of hearing to the respondent shall be substantially in the form shown in Appendix I and signed by a disciplinary authority member or an attorney in the division.

History: Cr. Register, October, 1978, No. 274, eff. 11-1-78; am. (2) (intro.), Register, February, 1979, No. 278, eff. 3-1-79; r. and recr. Register, June, 1992, No. 438, eff. 5-1-92.

RL 2.08 Service and filing of complaint, notice of hearing and other papers. **(1)** The complaint, notice of hearing, all orders and other papers required to be served on a respondent may be served by mailing a copy of the paper to the respondent at the last known address of the respondent or by any procedure described in s. 801.14(2), Stats. Service by mail is complete upon mailing.

(2) Any paper required to be filed with a disciplinary authority may be mailed to the disciplinary authority office or, if an administrative law judge has been designated to preside in the matter, to the administrative law judge and shall be deemed filed on receipt at the disciplinary authority office or by the administrative law judge. An answer under s. RL 2.09, and motions under s. RL 2.15 may be filed and served by facsimile transmission. A document filed by facsimile transmission under this section shall also be mailed to the disciplinary authority. An answer or motion filed by facsimile transmission shall be deemed filed on the first business day after receipt by the disciplinary authority.

History: Cr. Register, October, 1978, No. 274, eff. 11-1-78; am. (2), Register, June, 1992, No. 438, eff. 7-1-92.

RL 2.09 Answer. **(1)** An answer to a complaint shall state in short and plain terms the defenses to each cause asserted and shall admit or deny the allegations upon which the complainant relies. If the respondent is without knowledge or information sufficient to form a belief as to the truth of the allegation, the respondent shall so state and this has the effect of a denial. Denials shall fairly meet the substance of the allegations denied. The respondent shall make denials as specific denials of designated allegations or paragraphs but if the respondent intends in good faith to deny only a part or a qualification of an allegation, the respondent shall specify so much of it as true and material and shall deny only the remainder.

(2) The respondent shall set forth affirmatively in the answer any matter constituting an affirmative defense.

(3) Allegations in a complaint are admitted when not denied in the answer.

(4) An answer to a complaint shall be filed within 20 days from the date of service of the complaint.

History: Cr. Register, October, 1978, No. 274, eff. 11-1-78; am. (4), Register, February, 1979, No. 278, eff. 3-1-79; am. (1), (3) and (4). Register, June, 1992, No. 438, eff. 7-1-92.

RL 2.10 Administrative law judge. **(1) DESIGNATION.** Disciplinary hearings shall be presided over by an administrative law judge employed by the department unless the disciplinary authority designates otherwise. The administrative law judge shall be an attorney in the department designated by the department general counsel, an employee borrowed from another agency pursuant to s. 20.901, Stats., or a person employed as a special project or limited term employee by the department, except that the administrative law judge may not be an employee in the division.

(2) AUTHORITY. An administrative law judge designated under this section to preside over any disciplinary proceeding has the authority described in s. 227.46 (1), Stats. Unless otherwise directed by a disciplinary authority pursuant to s. 227.46 (3), Stats., an administrative law judge presiding over a disciplinary proceeding shall prepare a proposed decision, including findings of fact, conclusions of law, order and opinion, in a form that may be adopted as the final decision in the case.

(3) SERVICE OF PROPOSED DECISION. Unless otherwise directed by a disciplinary authority, the proposed decision shall be served by the administrative law judge on all parties with a notice providing each party adversely affected by the proposed decision with an opportunity to file with the disciplinary authority objections and written argument with respect to the objections. A party adversely affected by a proposed decision shall have at least 10 days from the date of service of the proposed decision to file objections and argument.

History: Cr. Register, October, 1978, No. 274, eff. 11-1-78; r. and recr. (1), Register, November, 1986, No. 371, eff. 12-1-86; correction in (2) made under s. 13.93 (2m) (b) 7.. Stats., Register, May, 1988, No. 389; am. Register, June, 1992, No. 438, eff. 7-1-92.

RL 2.11 Prehearing conference. In any matter pending before the disciplinary authority the complainant and the respondent, or their attorneys, may be directed by the disciplinary authority or administrative law judge to appear at a conference or to participate in a telephone conference to consider the simplification

tion of issues, the necessity or desirability of amendments to the pleadings, the admission of facts or documents which will avoid unnecessary proof and such other matters as may aid in the disposition of the matter.

History: Cr. Register, October, 1978, No. 274, eff. 11-1-78; am. Register, June, 1992, No. 438, eff. 1992.

RL 2.12 Settlements. No stipulation or settlement agreement disposing of a complaint or informal complaint shall be effective or binding in any respect until reduced to writing, signed by the respondent and approved by the disciplinary authority.

History: Cr. Register, October, 1978, No. 274, eff. 11-1-78; am. Register, June, 1992, No. 438, eff. 7-1-92.

RL 2.13 Discovery. The person prosecuting the complaint and the respondent may, prior to the date set for hearing, obtain discovery by use of the methods described in ch. 804, Stats., for the purposes set forth therein. Protective orders, including orders to terminate or limit examinations, orders compelling discovery, sanctions provided in s. 804.12, Stats. or other remedies as are appropriate for failure to comply with such orders may be made by the presiding officer.

History: Cr. Register, October, 1978, No. 274, eff. 11-1-78.

RL 2.14 Default. If the respondent fails to answer as required by s. RL 2.09 or fails to appear at the hearing at the time fixed therefor, the respondent is in default and the disciplinary authority may make findings and enter an order on the basis of the complaint and other evidence. The disciplinary authority may, for good cause, relieve the respondent from the effect of such findings and permit the respondent to answer and defend at any time before the disciplinary authority enters an order or within a reasonable time thereafter.

History: Cr. Register, October, 1978, No. 274, eff. 11-1-78; am. Register, June, 1992, No. 438, eff. 7-1-92.

RL 2.15 Conduct of hearing. (1) PRESIDING OFFICER. The hearing shall be presided over by a member of the disciplinary authority or an administrative law judge designated pursuant to s. RL 2.10.

(2) RECORD. A stenographic, electronic or other record shall be made of all hearings in which the testimony of witnesses is offered as evidence.

(3) EVIDENCE. The complainant and the respondent shall have the right to appear in person or by counsel, to call, examine, and cross-examine witnesses and to introduce evidence into the record.

(4) BRIEFS. The presiding officer may require the filing of briefs.

(5) MOTIONS. All motions, except those made at hearing, shall be in writing, filed with the presiding officer and a copy served upon the opposing party not later than 5 days before the time specified for hearing the motion.

(6) ADJOURNMENTS. The presiding officer may, for good cause, grant continuances, adjournments and extensions of time.

(7) SUBPOENAS. (a) Subpoenas for the attendance of any witness at a hearing in the proceeding may be issued in accordance with s. 885.01, Stats. Service shall be made in the manner provided in s. 805.07 (5), Stats. A subpoena may command the person to whom it is directed to produce the books, papers, documents, or tangible things designated therein.

(b) A presiding officer may issue protective orders according to the provision the provisions of s. 805.07, Stats.

(8) LOCATION OF HEARING. All hearings shall be held at the offices of the department of regulation and licensing in Madison unless the presiding officer determines that the health or safety of a witness or of a party or an emergency requires that a hearing be held elsewhere.

History: Cr. Register, October, 1978, No. 274, eff. 11-1-78; am. (1), (5) and (6), cr. (8), Register, June, 1992, No. 438, eff. 7-1-92.

RL 2.16 Witness fees and costs. Witnesses subpoenaed at the request of the division or the disciplinary authority shall be entitled to compensation from the state for attendance and travel as provided in ch. 885, Stats.

History: Cr. Register, October, 1978, No. 274, eff. 11-1-78; am. Register, June, 1992, No. 438, eff. 7-1-92.

RL 2.17 Transcription fees. (1) The fee charged for a transcript of a proceeding under this chapter shall be computed by the person or reporting service preparing the transcript on the following basis:

(a) If the transcript is prepared by a reporting service, the fee charged for an original transcription and for copies shall be the amount identified in the state operational purchasing bulletin which identifies the reporting service and its fees.

(b) If a transcript is prepared by the department, the department shall charge a transcription fee of \$1.75 per page and a copying charge of \$.25 per page. If 2 or more persons request a transcript, the department shall charge each requester a copying fee of \$.25 per page, but may divide the transcript fee equitably among the requesters. If the department has prepared a written transcript for its own use prior to the time a request is made, the department shall assume the transcription fee, but shall charge a copying fee of \$.25 per page.

(2) A person who is without means and who requires a transcript for appeal or other reasonable purposes shall be furnished with a transcript without charge upon the filing of a petition of indigency signed under oath.

History: Cr. Register, October, 1978, No. 274, eff. 11-1-78; am. (1) Register, May, 1982, No. 317, eff. 6-1-82; r. and recr. Register, June, 1992, No. 438, eff. 7-1-92; am. (1) (b), Register, August, 1993, No. 452, eff. 9-1-93.

RL 2.18 Assessment of costs. (1) The proposed decision of an administrative law judge following hearing shall include a recommendation whether all or part of the costs of the proceeding shall be assessed against the respondent.

(2) If a respondent objects to the recommendation of an administrative law judge that costs be assessed, objections to the assessment of costs shall be filed, along with any other objections to the proposed decision, within the time established for filing of objections.

(3) The disciplinary authority's final decision and order imposing discipline in a disciplinary proceeding shall include a determination whether all or part of the costs of the proceeding shall be assessed against the respondent.

(4) When costs are imposed, the division and the administrative law judge shall file supporting affidavits showing costs incurred within 15 days of the date of the final decision and order. The respondent shall file any objection to the affidavits within 30 days of the date of the final decision and order. The disciplinary authority shall review any objections, along with the affidavits, and affirm or modify its order without a hearing.

History: Cr. Register, June, 1992, No. 438, eff. 7-1-92.

Chapter RL 2
APPENDIX I
NOTICE OF HEARING

THE STATE OF WISCONSIN

To each person named above as a respondent:

You are hereby notified that disciplinary proceedings have been commenced against you before the (#1). The Complaint, which is attached to this Notice, states the nature and basis of the proceeding. This proceeding may result in disciplinary action taken against you by the (#2). This proceeding is a class 2 proceeding as defined in s. 227.01 (3) (b), Wis. Stats.

Within 20 days from the date of service of the complaint, you must respond with a written Answer to the allegations of the Complaint. You may have an attorney help or represent you. The Answer shall follow the general rules of pleading contained in s. RL 2.09. If you do not provide a proper Answer within 20 days, you will be found to be in default, and a default judgment may be entered against you on the basis of the complaint and other evidence and the (#3) may take disciplinary action against you and impose the costs of the investigation, prosecution and decision of this matter upon you without further notice or hearing.

The original of your Answer should be filed with the Administrative Law Judge who has been designated to preside over this matter pursuant to s. RL 2.10, who is:

(#4)
Department of Regulation and Licensing
Office of Board Legal Services
P. O. Box 8935
Madison, Wisconsin 53708

You should also file a copy of your Answer with the complainant's attorney, who is:

(#5)
Department of Regulation and Licensing
Division of Enforcement
P. O. Box 8935
Madison, Wisconsin 53708

A hearing on the matters contained in the Complaint will be held at the time and location indicated below:

Hearing Date, Time and Location

Date: (#6)
Time: (#7)
Location: Room(#8)
1400 East Washington Ave
Madison, Wisconsin

or as soon thereafter as the matter may be heard. The questions to be determined at this hearing are whether the license previously issued to you should be revoked or suspended, whether such license should be limited, whether you should be reprimanded, whether, if authorized by law, a forfeiture should be imposed, or whether any other discipline should be imposed on you. You may be represented by an attorney at the hearing. The legal authority and procedures under which the hearing is to be held is set forth in s. 227.44, Stats., s. (#9), Stats., ch. RL 2, and s. (#10).

If you do not appear for hearing at the time and location set forth above, you will be found to be in default, and a default judgment may be entered against you on the basis of the complaint and other evidence and the (#11) may take disciplinary action against you and impose the costs of the investigation, prosecution and decision of this matter upon you without further notice or hearing.

If you choose to be represented by an attorney in this proceeding, the attorney is requested to file a Notice of Appearance with the disciplinary authority and the Administrative Law Judge within 20 days of your receiving this Notice.

Dated at Madison, Wisconsin this _____ day of, _____ 20__

Signature of Licensing Authority Member or Attorney
(#12)

INSERTIONS

1. Disciplinary authority
2. Disciplinary authority
3. Disciplinary authority
4. Administrative Law Judge
5. Complainant's attorney
6. Date of hearing
7. Time of hearing
8. Location of hearing
9. Legal authority (statute)
10. Legal authority (administrative code)
11. Disciplinary authority
12. Address and telephone number of person signing the complaint

Chapter RL 3

ADMINISTRATIVE INJUNCTIONS

RL 3.01	Authority.	RL 3.09	Administrative law judge
RL 3.02	Scope; kinds of proceedings.	RL 3.10	Prehearing conference.
RL 3.03	Definitions.	RL 3.11	Settlements.
RL 3.04	Pleadings to be captioned.	RL 3.12	Discovery.
RL 3.05	Petition for administrative injunction.	RL 3.13	Default.
RL 3.06	Notice of hearing.	RL 3.14	Conduct of hearing.
RL 3.07	Service and filing of petition, notice of hearing and other papers.	RL 3.15	Witness fees and costs.
RL 3.05	Answer.	RL 3.16	Transcription fees.

RL 3.01 Authority. The rules in ch. RL 3 are adopted pursuant to authority in ss. 440.03 (1) and 440.21, Stats.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

RL 3.02 Scope; kinds of proceedings. The rules in this chapter govern procedures in public hearings before the department to determine and make findings as to whether a person has engaged in a practice or used a title without a credential required under chs. 440 to 459, Stats., and for issuance of an administrative injunction.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

RL 3.03 Definitions. In this chapter:

(1) "Administrative injunction" means a special order enjoining a person from the continuation of a practice or use of a title without a credential required under chs. 440 to 459, Stats.

(2) "Credential" means a license, permit, or certificate of certification or registration that is issued under chs. 440 to 459, Stats.

(3) "Department" means the department of regulation and licensing.

(4) "Division" means the division of enforcement in the department.

(5) "Petition" means a document which meets the requirements of s. RL 3.05.

(6) "Respondent" means the person against whom an administrative injunction proceeding has been commenced and who is named as respondent in a petition.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

RL 3.04 Pleadings to be captioned. All pleadings, notices, orders, and other papers filed in an administrative injunction proceeding shall be captioned: "BEFORE THE DEPARTMENT OF REGULATION AND LICENSING" and shall be entitled: "IN THE MATTER OF A PETITION FOR AN ADMINISTRATIVE INJUNCTION INVOLVING _____, RESPONDENT."

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

RL 3.05 Petition for administrative injunction. A petition for an administrative injunction shall allege that a person has engaged in a practice or used a title without a credential required under chs. 440 to 459, Stats. A petition may be made on information and belief and shall contain:

(1) The name and address of the respondent and the name and address of the attorney in the division who is prosecuting the petition for the division;

(2) A short statement in plain language of the basis for the division's belief that the respondent has engaged in a practice or used a title without a credential required under chs. 440 to 459, Stats., and specifying the statute or rule alleged to have been violated;

(3) A request in essentially the following form: "Wherefore, the division demands that a public hearing be held and that the de-

partment issue a special order enjoining the person from the continuation of the practice or use of the title;" and,

(4) The signature of an attorney authorized by the division to sign the petition.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

RL 3.06 Notice of hearing. (1) A notice of hearing shall be sent to the respondent by the division at least 10 days prior to the hearing, except in the case of an emergency in which shorter notice may be given, but in no case may the notice be provided less than 48 hours in advance of the hearing.

(2) A notice of hearing to the respondent shall be essentially in the form shown in Appendix I and signed by an attorney in the division.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

RL 3.07 Service and filing of petition, notice of hearing and other papers. (1) The petition, notice of hearing, all orders and other papers required to be served on a respondent may be served by mailing a copy of the paper to the respondent at the last known address of the respondent or by any procedure described in s. 801.14 (2), Stats. Service by mail is complete upon mailing.

(2) Any paper required to be filed with the department may be mailed to the administrative law judge designated to preside in the matter and shall be deemed filed on receipt by the administrative law judge. An answer under s. RL 3.08, and motions under s. RL 3.14 may be filed and served by facsimile transmission. A document filed by facsimile transmission under this section shall also be mailed to the department. An answer or motion filed by facsimile transmission shall be deemed filed on the first business day after receipt by the department.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

RL 3.08 Answer. (1) An answer to a petition shall state in short and plain terms the defenses to each allegation asserted and shall admit or deny the allegations upon which the division relies. If the respondent is without knowledge or information sufficient to form a belief as to the truth of the allegation, the respondent shall so state and this has the effect of a denial. Denials shall fairly meet the substance of the allegations denied. The respondent shall make denials as specific denials of designated allegations or paragraphs but if the respondent intends in good faith to deny only a part or to provide a qualification of an allegation, the respondent shall specify so much of it as true and material and shall deny only the remainder.

(2) The respondent shall set forth affirmatively in the answer any matter constituting an affirmative defense.

(3) Allegations in a petition are admitted when not denied in the answer.

(4) An answer to a petition shall be filed within 20 days from the date of service of the petition.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

RL 3.09 Administrative law judge. (1) DESIGNATION.

Administrative injunction proceedings shall be presided over by an administrative law judge. The administrative law judge shall be an attorney in the department designated by the department general counsel, an employee borrowed from another agency pursuant to s. 20.901, Stats., or a person employed as a special project or limited term employee by the department. The administrative law judge may not be an employee in the division.

(2) AUTHORITY. An administrative law judge designated under this section has the authority described in s. 227.46 (1), Stats. Unless otherwise directed under s. 227.46 (3), Stats., an administrative law judge shall prepare a proposed decision, including findings of fact, conclusions of law, order and opinion, in a form that may be adopted by the department as the final decision in the case.

(3) SERVICE OF PROPOSED DECISION. The proposed decision shall be served by the administrative law judge on all parties with a notice providing each party adversely affected by the proposed decision with an opportunity to file with the department objections and written argument with respect to the objections. A party adversely affected by a proposed decision shall have at least 10 days from the date of service of the proposed decision to file objections and argument.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

RL 3.10 Prehearing conference. In any matter pending before the department, the division and the respondent may be directed by the administrative law judge to appear at a conference or to participate in a telephone conference to consider the simplification of issues, the necessity or desirability of amendments to the pleading, the admission of facts or documents which will avoid unnecessary proof and such other matters as may aid in the disposition of the matter.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

RL 3.11 Settlements. No stipulation or settlement agreement disposing of a petition or informal petition shall be effective or binding in any respect until reduced to writing, signed by the respondent and approved by the department.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

RL 3.12 Discovery. The division and the respondent may, prior to the date set for hearing, obtain discovery by use of the methods described in ch. 804, Stats., for the purposes set forth therein. Protective orders, including orders to terminate or limit examinations, orders compelling discovery, sanctions provided in s. 804.12, Stats., or other remedies as are appropriate for failure to comply with such orders may be made by the administrative law judge.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

RL 3.13 Default. If the respondent fails to answer as required by s. RL 3.08 or fails to appear at the hearing at the time fixed therefor, the respondent is in default and the department may make findings and enter an order on the basis of the petition and other evidence. The department may, for good cause, relieve the respondent from the effect of the findings and permit the respondent to answer and defend at any time before the department enters an order or within a reasonable time thereafter.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

RL 3.14 Conduct of hearing. (1) ADMINISTRATIVE LAW JUDGE. The hearing shall be presided over by an administrative law judge designated pursuant to s. RL 3.09.

(2) RECORD. A stenographic, electronic or other record shall be made of all hearings in which the testimony of witnesses is offered as evidence.

(3) EVIDENCE. The division and the respondent shall have the right to appear in person or by counsel, to call, examine, and cross-examine witnesses and to introduce evidence into the record.

(4) BRIEFS. The administrative law judge may require the filing of briefs.

(5) MOTIONS. (a) How made. An application to the administrative law judge for an order shall be by motion which, unless made during a hearing or prehearing conference, shall be in writing, state with particularity the grounds for the order, and set forth the relief or order sought.

(b) Filing. A motion shall be filed with the administrative law judge and a copy served upon the opposing party not later than 5 days before the time specified for hearing the motion.

(c) Supporting papers. Any briefs or other papers in support of a motion, including affidavits and documentary evidence, shall be filed with the motion.

(6) ADJOURNMENTS. The administrative law judge may, for good cause, grant continuances, adjournments and extensions of time.

(7) SUBPOENAS. (a) Subpoenas for the attendance of any witness at a hearing in the proceeding may be issued in accordance with s. 885.01, Stats. Service shall be made in the manner provided in s. 805.07 (5), Stats. A subpoena may command the person to whom it is directed to produce the books, papers, documents, or tangible things designated therein.

(b) An administrative law judge may issue protective orders according to the provisions of s. 805.07, Stats.

(8) LOCATION OF HEARING. All hearings shall be held at the offices of the department in Madison unless the administrative law judge determines that the health or safety of a witness or of a party or an emergency requires that a hearing be held elsewhere.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

RL 3.15 Witness fees and costs. Witnesses subpoenaed at the request of the division shall be entitled to compensation from the state for attendance and travel as provided in ch. 885, Stats.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

RL 3.16 Transcription fees. (1) The fee charged for a transcript of a proceeding under this chapter shall be computed by the person or reporting service preparing the transcript on the following basis:

(a) If the transcript is prepared by a reporting service, the fee charged for an original transcription and for copies shall be the amount identified in the state operational purchasing bulletin which identifies the reporting service and its fees.

Note: The State Operational Purchasing Bulletin may be obtained from the Department of Administration, State Bureau of Procurement, 101 E. Wilson Street, 6th Floor, P.O. Box 7867, Madison, Wisconsin 53707-7867.

(b) If a transcript is prepared by the department, the department shall charge a transcription fee of \$1.75 per page and a copying charge of \$.25 per page. If 2 or more persons request a transcript, the department shall charge each requester a copying fee of \$.25 per page, but may divide the transcript fee equitably among the requesters. If the department has prepared a written transcript for its own use prior to the time a request is made, the department shall assume the transcription fee, but shall charge a copying fee of \$.25 per page.

(2) A person who is without means and who requires a transcript for appeal or other reasonable purposes shall be furnished with a transcript without charge upon the filing of an affidavit showing that the person is indigent according to the standards adopted in rules of the state public defender under ch. 977, Stats.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

Chapter RL 3

APPENDIX I

STATE OF WISCONSIN
BEFORE THE DEPARTMENT OF REGULATION AND
LICENSING

IN THE MATTER OF A PETITION :
FOR AN ADMINISTRATIVE; NOTICE OF
INJUNCTION INVOLVING : HEARING

(#2),
Respondent.

NOTICE OF HEARING

TO: (#2)

You are hereby notified that a proceeding for an administrative injunction has been commenced against you by the Department of Regulation and Licensing. The petition attached to this Notice states the nature and basis of the proceeding. This proceeding may result in a special order against you under s. 440.21, Stats., enjoining you from the continuation of a practice or use of a title.

A HEARING ON THE MATTERS CONTAINED IN THE PETITION WILL BE HELD AT:

Date: (#3) Time: (#4)
Location: Room (#5),
1400 East Washington Avenue
Madison, Wisconsin

or as soon thereafter as the matter may be heard.
The questions to be determined at this hearing are whether (#6).

Within 20 days from the date of service of the Notice, you must respond with a written Answer to the allegations of the Petition. You may have an attorney help or represent you. Your Answer must follow the rules of pleading in s. RL 3.08 of the Wisconsin Administrative Code. File your Answer with the Administrative Law Judge for this matter who is:

(#7), Department of Regulation and Licensing, Office
of Board Legal Services,
P.O. Box 8935,
Madison, Wisconsin 53708

Please file a copy of your answer with the division's attorney, who is:

(#8), Division of Enforcement,
Department of Regulation and Licensing,
P.O. Box 8935,
Madison, Wisconsin 53708

If you do not provide a proper Answer within 20 days or do not appear for the hearing, you will be found to be in default and a special order may be entered against you enjoining you from the continuation of a practice or use of a title. If a special order is issued as a result of this proceeding and thereafter you violate the special order, you may be required to forfeit not more than \$10,000 for each offense.

You may be represented by an attorney at the hearing. This proceeding is a class 2 proceeding as defined in s. 227.01 (3) (b), Stats. If you choose to be represented by an attorney in this proceeding, the attorney is requested to file a Notice of Appearance with the Administrative Law Judge and the division within 20 days after you receive this Notice.

The legal authority and procedures under which the hearing is to be held are set forth in ss. 227.21, 440.44, (#9), Stats., and ch. RL 3, Wis. Admin. Code.

Dated at Madison, Wisconsin this _____ day of ~~20~~.

(...#10...), Attorney

INSERTIONS

1. Respondent
2. Respondent with address
3. Date of hearing
4. Time of hearing
5. Place of hearing
6. Issues for hearing
7. Administrative Law Judge
8. Division of Enforcement attorney
9. Legal authority (statute)
10. Division of Enforcement attorney

Chapter RL 4

DEPARTMENT APPLICATION PROCEDURES AND
APPLICATION FEE POLICIES

RL 4.01	Authorization.
RL 4.02	Definitions.
RL 4.03	Time for review and determination of credential applications.

RL 4.04	Fees for examinations, reexaminations and proctoring examinations.
RL 4.05	Fee for test review.
RL 4.06	Refunds.

RL 4.01 Authorization. The following rules are adopted by the department of regulation and licensing pursuant to ss. 440.05, 440.06 and 440.07, Stats.

History: Cr. Register, October, 1978, No. 274, eff. 11-1-78; am. Register, July, 1996, No. 487, eff. 8-1-96.

RL 4.02 Definitions. (1) "Applicant" means a person who applies for a license, permit, certificate or registration granted by the department or a board.

(2) "Authority" means the department or the attached examining board or board having authority to grant the credential for which an application has been filed.

(3) "Board" means the board of nursing and any examining board attached to the department.

(4) "Department" means the department of regulation and licensing.

(5) "Examination" means the written and practical tests required of an applicant by the authority.

(6) "Service provider" means a party other than the department or board who provides examination services such as application processing, examination products or administration of examinations.

History: Cr. Register, October, 1978, No. 274, eff. 11-1-78; renum. (1) to (4) to be (4), (3), (1), (5) and am. (5), cr. (2) and (6), Register, July, 1996, No. 487, eff. 8-1-96.

RL 4.03 Time for review and determination of credential applications. (1) **TIME LIMITS.** An authority shall review and make a determination on an original application for a credential within 60 business days after a completed application is received by the authority unless a different period for review and determination is specified by law.

(2) **COMPLETED APPLICATIONS.** An application is completed when all materials necessary to make a determination on the application and all materials requested by the authority have been received by the authority.

(3) **EFFECT OF DELAY.** A delay by an authority in making a determination on an application within the time period specified in this section shall be reported to the permit information center under s. 227.116, Stats. Delay by an authority in making a determination on an application within the time period specified in this section does not relieve any person from the obligation to secure approval from the authority nor affect in any way the authority's responsibility to interpret requirements for approval and to grant or deny approval.

History: Cr. Register, August, 1992, No. 440, eff. 9-1-92; renum. from RL 4.06 and am., Register, July, 1996, No. 487, eff. 8-1-96.

RL 4.04 Fees for examinations, reexaminations and proctoring examinations. (1) **EXAMINATION FEE SCHEDULE.** A list of all current examination fees may be obtained at no charge from the Office of Examinations, Department of Regulation and Licensing, 1400 East Washington Avenue, P.O. Box 8935, Madison, WI 53708.

(3) **EXPLANATION OF PROCEDURES FOR SETTING EXAMINATION FEES.** (a) Fees for examinations shall be established under s. 440.05 (1) (b), Stats., at the department's best estimate of the

actual cost of preparing, administering and grading the examination or obtaining and administering an approved examination from a service provider.

(b) Examinations shall be obtained from a service provider through competitive procurement procedures described in ch. Adm 7.

(c) Fees for examination services provided by the department shall be established based on an estimate of the actual cost of the examination services. Computation of fees for examination services provided by the department shall include standard component amounts for contract administration services, test development services and written and practical test administration services.

(d) Examination fees shall be changed as needed to reflect changes in the actual costs to the department. Changes to fees shall be implemented according to par. (e).

(e) Examination fees shall be effective for examinations held 45 days or more after the date of publication of a notice in application forms. Applicants who have submitted fees in an amount less than that in the most current application form shall pay the correct amount prior to administration of the examination. Overpayments shall be refunded by the department. Initial credential fees shall become effective on the date specified by law.

(4) **REEXAMINATION OF PREVIOUSLY LICENSED INDIVIDUALS.** Fees for examinations ordered as part of a disciplinary proceeding or late renewal under s. 440.08 (3) (b), Stats., are equal to the fee set for reexamination in the most recent examination application form, plus \$10 application processing.

(5) **PROCTORING EXAMINATIONS FOR OTHER STATES.** (a) Examinations administered by an authority of the state may be proctored for persons applying for credentials in another state if the person has been determined eligible in the other state and meets this state's application deadlines. Examinations not administered by an authority of the state may only be proctored for Wisconsin residents or licensees applying for credentials in another state.

(b) Department fees for proctoring examinations of persons who are applying for a credential in another state are equal to the cost of administering the examination to those persons, plus any additional cost charged to the department by the service provider.

History: Cr. Register, October, 1978, No. 274, eff. 11-1-78; r. and recr. Register, May, 1986, No. 365, eff. 6-1-86; am. Register, December, 1986, No. 372, eff. 1-1-87; am. Register, September, 1987, No. 381, eff. 10-1-87; am. (3), Register, September, 1988, No. 393, eff. 10-1-88; am. (3), Register, September, 1990, No. 417, eff. 10-1-90; i. and recr. (1) to (3), cr. (4), renum. Figure and am. Register, April, 1992, No. 436, eff. 5-1-92; am. (4) Figure, cr. (5), Register, July, 1993, No. 451, eff. 8-1-93; r. and recr. Register, November, 1993, No. 455, eff. 12-1-93; r. (2), am. (3) (a), (b), (c), (e), (4), (5), Register, July, 1996, No. 487, eff. 8-1-96.

RL 4.05 Fee for test review. (1) The fee for supervised review of examination results by a failing applicant which is conducted by the department is \$28.

(2) The fee for review of examination results by a service provider is the fee established by the service provider.

History: Cr. Register, April, 1992, No. 436, eff. 5-1-92; am. Register, July, 1996, No. 487, eff. 8-1-96.

RL 4.06 Refunds. (1) A refund of all but \$10 of the applicant's examination fee and initial credential fee submitted to the department shall be granted if any of the following occurs:

(a) An applicant is found to be unqualified for an examination administered by the authority.

(b) An applicant is found to be unqualified for a credential for which no examination is required.

(c) An applicant withdraws an application by written notice to the authority at least 10 days in advance of any scheduled examination.

(d) An applicant who fails to take an examination administered by the authority either provides written notice at least 10 days in advance of the examination date that the applicant is unable to take the examination, or if written notice was not provided, submits a written explanation satisfactory to the authority that the applicant's failure to take the examination resulted from extreme personal hardship.

(2) An applicant eligible for a refund may forfeit the refund and choose instead to take an examination administered by the authority within 18 months of the originally scheduled examination at no added fee.

(3) An applicant who misses an examination as a result of being called to active military duty shall receive a full refund. The applicant requesting the refund shall supply a copy of the call up orders or a letter from the commanding officer attesting to the call up.

(4) Applicants who pay fees to service providers other than the department are subject to the refund policy established by the service provider.

History: Cr. Register, October, 1978, No. 274, eff. 11-1-78; am. (2) (intro.), Register, May, 1986, No. 365, eff. 6-1-86; am. (1) and (2) (intro.), renum. (2) (c) and (3) to be (3) and (4), cr. (5), Register, September, 1987, No. 381, eff. 10-1-87; r. and recr. (1) and (4), Register, April, 1992, No. 436, eff. 5-1-92; r. (2), renum. (3) to (5) to be (2) to (4), Register, July, 1993, No. 451, eff. 8-1-93; renum. from RL 4.03 and am., Register, July, 1996, No. 487, eff. 8-1-96.

Chapter RL 6

SUMMARY SUSPENSIONS

RL 6.01	Authority and intent.
RL 6.02	Scope.
RL 6.03	Definitions.
RL 6.04	Petition for summary suspension.
RL 6.05	Notice of petition to respondent.
RL 6.06	Issuance of summary suspension order.

RL 6.07	Contents of summary suspension order.
RL 6.08	Service of summary suspension order.
RL 6.09	Hearing to show cause.
RL 6.10	Commencement of disciplinary proceeding.
RL 6.11	Delegation

RL 6.01 Authority and intent. (1) This chapter is adopted pursuant to authority in ss. 227.11 (2)(a) and 440.03 (1), Stats., and interprets s. 227.51 (3), Stats.

(2) The intent of the department in creating this chapter is to specify uniform procedures for summary suspension of licenses, permits, certificates or registrations issued by the department or any board attached to the department in circumstances where the public health, safety or welfare imperatively requires emergency action.

History: Cr. Register, May, 1988, No. 389, eff. 6-1-88.

RL 6.02 Scope. This chapter governs procedures in all summary suspension proceedings against licensees before the department or any board attached to the department. To the extent that this chapter is not in conflict with s. 448.02 (4), Stats., the chapter shall also apply in proceedings brought under that section.

History: Cr. Register, May, 1988, No. 389, eff. 6-1-88.

RL 6.03 Definitions. In this chapter:

(1) "Board" means the bingo control board, real estate board or any examining board attached to the department.

(2) "Department" means the department of regulation and licensing.

(3) "Disciplinary proceeding" means a proceeding against one or more licensees in which a licensing authority may determine to revoke or suspend a license, to reprimand a licensee, or to limit a license.

(4) "License" means any license, permit, certificate, or registration granted by a board or the department or a right to renew a license, permit, certificate or registration granted by a board or the department.

(5) "Licensee" means a person, partnership, corporation or association holding any license.

(6) "Licensing authority" means the bingo control board, real estate board or any examining board attached to the department, the department for licenses granted by the department, or one acting under a board's or the department's delegation under s. RL 6.11.

(7) "Petitioner" means the division of enforcement in the department.

(8) "Respondent" means a licensee who is named as respondent in a petition for summary suspension.

History: Cr. Register, May, 1988, No. 389, eff. 6-1-88.

RL 6.04 Petition for summary suspension. (1) A petition for a summary suspension shall state the name and position of the person representing the petitioner, the address of the petitioner, the name and licensure status of the respondent, and an assertion of the facts establishing that the respondent has engaged in or is likely to engage in conduct such that the public health, safety or welfare imperatively requires emergency suspension of the respondent's license.

(2) A petition for a summary suspension order shall be signed upon oath by the person representing the petitioner and may be made on information and belief.

(3) The petition shall be presented to the appropriate licensing authority.

History: Cr. Register, May, 1988, No. 389, eff. 6-1-88.

RL 6.05 Notice of petition to respondent. Prior to the presenting of the petition, the petitioner shall give notice to the respondent or respondent's attorney of the time and place when the petition will be presented to the licensing authority. Notice may be given by mailing a copy of the petition and notice to the last-known address of the respondent as indicated in the records of the licensing authority as provided in s. 440.11 (2), Stats. as created by 1987 Wis. Act 27. Notice by mail is complete upon mailing. Notice may also be given by any procedure described in s. 801.11, Stats.

History: Cr. Register, May, 1988, No. 389, eff. 6-1-88.

RL 6.06 Issuance of summary suspension order.

(1) If the licensing authority finds that notice has been given under s. RL 6.05 and finds probable cause to believe that the respondent has engaged in or is likely to engage in conduct such that the public health, safety or welfare imperatively requires emergency suspension of the respondent's license, the licensing authority may issue an order for summary suspension. The order may be issued at any time prior to or subsequent to the commencement of a disciplinary proceeding under s. RL 2.04.

(2) The petitioner may establish probable cause under sub. (1) by affidavit or other evidence.

(3) The summary suspension order shall be effective upon service under s. RL 6.08, or upon actual notice of the summary suspension order to the respondent or respondent's attorney, whichever is sooner, and continue through the effective date of the final decision and order made in the disciplinary proceeding against the respondent, unless the license is restored under s. RL 6.09 prior to a formal disciplinary hearing.

History: Cr. Register, May, 1988, No. 389, eff. 6-1-88.

RL 6.07 Contents of summary suspension order.

The summary suspension order shall include the following:

(1) A statement that the suspension order is in effect and continues until the effective date of a final order and decision in the disciplinary proceeding against the respondent, unless otherwise ordered by the licensing authority;

(2) Notification of the respondent's right to request a hearing to show cause why the summary suspension order should not be continued;

(3) The name and address of the licensing authority with whom a request for hearing should be filed;

(4) Notification that the hearing to show cause shall be scheduled for hearing on a date within 20 days of receipt by the licensing authority of respondent's request for hearing, unless a later time is requested by or agreed to by the respondent;

(5) The identification of all witnesses providing evidence at the time the petition for summary suspension was presented and identification of the evidence used as a basis for the decision to issue the summary suspension order;

(6) The manner in which the respondent or the respondent's attorney was notified of the petition for summary suspension; and

(7) A finding that the public health, safety or welfare imperatively requires emergency suspension of the respondent's license.

History: Cr. Register, May, 1988, No. 389, eff. 6-1-88.

RL 6.08 Service of summary suspension order. An order of summary suspension shall be served upon the respondent in the manner provided in s. 801.11, Stats., for service of summons.

History: Cr. Register, May, 1988, No. 389, eff. 6-1-88.

RL 6.09 Hearing to show cause. (1) The respondent shall have the right to request a hearing to show cause why the summary suspension order should not be continued until the effective date of the final decision and order in the disciplinary action against the respondent.

(2) The request for hearing to show cause shall be filed with the licensing authority which issued the summary suspension order. The hearing shall be scheduled and heard promptly by the licensing authority but no later than 20 days after the filing of the request for hearing with the licensing authority, unless a later time is requested by or agreed to by the licensee.

(3) At the hearing to show cause the petitioner and the respondent may testify, call, examine and cross-examine witnesses, and offer other evidence.

(4) At the hearing to show cause the petitioner has the burden to show by a preponderance of the evidence why the summary suspension order should be continued.

(5) At the conclusion of the hearing to show cause the licensing authority shall make findings and an order. If it is determined that the summary suspension order should not be continued, the suspended license shall be immediately restored.

History: Cr. Register, May, 1988, No. 389, eff. 6-1-88.

RL 6.10 Commencement of disciplinary proceeding. (1) A notice of hearing commencing a disciplinary proceeding under s. RL 2.06 against the respondent shall be issued no later than 10 days following the issuance of the summary suspension order or the suspension shall lapse on the tenth day following issuance of the summary suspension order. The formal disciplinary proceeding shall be determined promptly.

(2) If at any time the disciplinary proceeding is not advancing with reasonable promptness, the respondent may make a motion to the hearing officer or may directly petition the appropriate board, or the department, for an order granting relief.

(3) If it is found that the disciplinary proceeding is not advancing with reasonable promptness, and the delay is not as a result of the conduct of respondent or respondent's counsel, a remedy, as would be just, shall be granted including:

(a) An order immediately terminating the summary suspension; or

(b) An order compelling that the disciplinary proceeding be held and determined by a specific date.

History: Cr. Register, May, 1988, No. 389, eff. 6-1-88.

RL 6.11 Delegation. (1) A board may by a two-thirds vote:

(a) Designate under s. 227.46(1), Stats., a member of the board or an employee of the department to rule on a petition for summary suspension, to issue a summary suspension order, and to preside over and rule in a hearing provided for in s. RL 6.09; or

(b) Appoint a panel of no less than two-thirds of the membership of the board to rule on a petition for summary suspension, to issue a summary suspension order, and to preside over and rule in a hearing provided for in s. RL 6.09.

(2) In matters in which the department is the licensing authority, the department secretary or the secretary's designee shall rule on a petition for summary suspension, issue a summary suspension order, and preside over and rule in a hearing provided for in s. RL 6.09.

(3) Except as provided in s. 227.36(3), Stats., a delegation of authority under subs. (1) and (2) may be continuing.

History: Cr. Register, May, 1988, No. 389, eff. 6-1-88.

Chapter RL 7

IMPAIRED PROFESSIONALS PROCEDURE

RL 7.01	Authority and intent.	RL 7.07	Intradepartmental referral.
RL 7.02	Definitions.	RL 7.08	Records.
RL 7.03	Referral to and eligibility for the procedure.	RL 7.09	Report.
RL 7.04	Requirements for participation.	RL 7.10	Applicability of procedures to direct licensing by the department
RL 7.05	Agreement for participation.	RL 7.11	Approval of drug testing programs.
RL 7.06	Standards for approval of treatment facilities or individual therapists.		

RL 7.01 Authority and intent. (1) The rules in this chapter are adopted pursuant to authority in ss. 15.08 (5) (b), 51.30, 146.82, 227.11 and 440.03, Stats.

(2) The intent of the department in adopting rules in this chapter is to protect the public from credential holders who are impaired by reason of their abuse of alcohol or other drugs. This goal will be advanced by providing an option to the formal disciplinary process for qualified credential holders committed to their own recovery. This procedure is intended to apply when allegations are made that a credential holder has practiced a profession while impaired by alcohol or other drugs or when a credential holder contacts the department and requests to participate in the procedure. It is not intended to apply in situations where allegations exist that a credential holder has committed violations of law, other than practice while impaired by alcohol or other drugs, which are substantial. The procedure may then be utilized in selected cases to promote early identification of chemically dependent professionals and encourage their rehabilitation. Finally, the department's procedure does not seek to diminish the prosecution of serious violations but rather it attempts to address the problem of alcohol and other drug abuse within the enforcement jurisdiction of the department.

(3) In administering this program, the department intends to encourage board members to share professional expertise so that all boards in the department have access to a range of professional expertise to handle problems involving impaired professionals.

History: Cr. Register, January, 1991, No. 421, eff. 2-1-91; an (2), Register, July, 1996, No. 487, eff. 8-1-96.

RL 7.02 Definitions. In this chapter:

(1) "Board" means any examining board or affiliated credentialing board attached to the department and the real estate board.

(2) "Board liaison" means the board member designated by the board as responsible for approving credential holders for the impaired professionals procedure under s. RL 7.03, for monitoring compliance with the requirements for participation under s. RL 7.04, and for performing other responsibilities delegated to the board liaison under these rules.

(2a) "Coordinator" means a department employee who coordinates the impaired professionals procedure.

(2b) "Credential holder" means a person holding any license, permit, certificate or registration granted by the department or any board.

(3) "Department" means the department of regulation and licensing.

(4) "Division" means the division of enforcement in the department.

(5) "Informal complaint" means any written information submitted by any person to the division, department or any board which requests that a disciplinary proceeding be commenced against a credential holder or which alleges facts, which if true, warrant discipline. "Informal complaint" includes requests for disciplinary proceedings under s. 440.20, Stats.

(6) "Medical review officer" means a medical doctor or doctor of osteopathy who is a licensed physician and who has knowledge of substance abuse disorders and has appropriate medical training to interpret and evaluate an individual's confirmed positive test result together with an individual's medical history and any other relevant biomedical information.

(7) "Procedure" means the impaired professionals procedure.

(8) "Program" means any entity approved by the department to provide the full scope of drug testing services for the department.

History: Cr. Register, January, 1991, No. 421, eff. 2-1-91; am. (1), (2), (5), cr. (2a), (2b), r. (6), Register, July, 1996, No. 487, eff. 8-1-96; cr. (6) and (8), Register, January, 2001, No. 541, eff. 2-1-01.

RL 7.03 Referral to and eligibility for the procedure.

(1) All informal complaints involving allegations of impairment due to alcohol or chemical dependency shall be screened and investigated pursuant to s. RL 2.035. After investigation, informal complaints involving impairment may be referred to the procedure and considered for eligibility as an alternative to formal disciplinary proceedings under ch. RL 2.

(2) A credential holder who has been referred to the procedure and considered for eligibility shall be provided with an application for participation, a summary of the investigative results in the form of a draft statement of conduct to be used as a basis for the statement of conduct under s. RL 7.05 (1) (a), and a written explanation of the credential holder's options for resolution of the matter through participation in the procedure or through the formal disciplinary process pursuant to ch. RL 2.

(3) Eligibility for the procedure shall be determined by the board liaison and coordinator who shall review all relevant materials including investigative results and the credential holder's application for participation. Eligibility shall be determined upon criteria developed by each credentialing authority which shall include at a minimum the credential holder's past or pending criminal, disciplinary or malpractice record, the circumstances of the credential holder's referral to the department, the seriousness of other alleged violations and the credential holder's prognosis for recovery. The decision on eligibility shall be consistent with the purposes of these procedures as described in s. RL 7.01 (2). The board liaison shall have responsibility to make the determination of eligibility for the procedure.

(4) Prior to the signing of an agreement for participation the credential holder shall obtain a comprehensive assessment for chemical dependency from a treatment facility or individual therapist approved under s. RL 7.06. The credential holder shall arrange for the treatment facility or individual therapist to file a copy of its assessment with the board liaison or coordinator. The assessment shall include a statement describing the credential holder's prognosis for recovery. The board liaison and the credential holder may agree to waive this requirement.

(5) If a credential holder is determined to be ineligible for the procedure, the credential holder shall be referred to the division for prosecution.

(6) A credential holder determined to be ineligible for the procedure by the board liaison or the department may, within 10 days of notice of the determination, request the credentialing authority to review the adverse determination.

History: Cr. Register, January, 1991, No. 421, eff. 2-1-91; am. (1) to (6), Register, July, 1996, No. 487, eff. 8-1-96.

RL 7.04 Requirements for participation. (1) A credential holder who participates in the procedure shall:

- (a) Sign an agreement for participation under s. RL 7.05
- (b) Remain free of alcohol, controlled substances, and prescription drugs, unless prescribed for a valid medical purpose.
- (c) Timely enroll and participate in a program for the treatment of chemical dependency conducted by a facility or individual therapist approved pursuant to s. RL 7.06.
- (d) Comply with any treatment recommendations and work restrictions or conditions deemed necessary by the board liaison or department.
- (e) Submit random monitored blood or urine samples for the purpose of screening for alcohol or controlled substances provided by a drug testing program approved by the department under s. RL 7.11, as required.
- (f) Execute releases valid under state and federal law in the form shown in Appendix I to allow access to the credential holder's counseling, treatment and monitoring records.
- (g) Have the credential holder's supervising therapist and work supervisors file quarterly reports with the coordinator.
- (h) Notify the coordinator of any changes in the credential holder's employer within 5 days.
- (i) File quarterly reports documenting the credential holder's attendance at meetings of self-help groups such as alcoholics anonymous or narcotics anonymous.

(2) If the board liaison or department determines, based on consultation with the person authorized to provide treatment to the credential holder or monitor the credential holder's enrollment or participation in the procedure, or monitor any drug screening requirements or restrictions on employment under sub. (1), that a credential holder participating in the procedure has failed to meet any of the requirements set under sub. (1), the board liaison may request that the board dismiss the credential holder from the procedure. The board shall review the complete record in making this determination. If the credential holder is dismissed the matter shall be referred to the division.

(3) If a credential holder violates the agreement and the board does not dismiss and refer the credential holder to the division, then a new admission under s. RL 7.05 (1) (a) shall be obtained for violations which are substantiated.

History: Cr. Register, January, 1991, No. 421, eff. 2-1-91; am. Register, July, 1996, No. 487, eff. 8-1-96; am. (1) (e), Register, January, 2001, No. 541, eff. 2-1-01.

RL 7.05 Agreement for participation. (1) The agreement for participation in the procedure shall at a minimum include:

- (a) A statement describing conduct the credential holder agrees occurred relating to participation in the procedure and an agreement that the statement may be used as evidence in any disciplinary proceeding under ch. RL 2.
- (b) An acknowledgement by the credential holder of the need for treatment for chemical dependency;
- (c) An agreement to participate at the credential holder's expense in an approved treatment regimen.
- (d) An agreement to submit to random monitored drug screens provided by a drug testing program approved by the department under s. RL 7.11 at the credential holder's expense, if deemed necessary by the board liaison.

(e) An agreement to submit to practice restrictions at any time during the treatment regimen as deemed necessary by the board liaison.

(f) An agreement to furnish the coordinator with signed consents for release of information from treatment providers and employers authorizing the release of information to the coordinator and board liaison for the purpose of monitoring the credential holder's participation in the procedure.

(g) An agreement to authorize the board liaison or coordinator to release information described in pars. (a), (c) and (e), the fact that a credential holder has been dismissed under s. RL 7.07 (3) (a) or violated terms of the agreement in s. RL 7.04 (1) (b) to (e) and (h) concerning the credential holder's participation in the procedure to the employer, therapist or treatment facility identified by the credential holder and an agreement to authorize the coordinator to release the results of random monitored drug screens under par. (d) to the therapist identified by the credential holder.

(b) An agreement to participate in the procedure for a period of time as established by the board.

(2) The board liaison may include additional requirements for an individual credential holder, if the circumstances of the informal complaint or the credential holder's condition warrant additional safeguards.

(3) The board or board liaison may include a promise of confidentiality that all or certain records shall remain closed and not available for public inspection and copying.

History: Cr. Register, January, 1991, No. 421, eff. 2-1-91; am. (1) (a) to (g) and (2), Register, July, 1996, No. 487, eff. 8-1-96; am. (1) (d), Register, January, 2001, No. 541, eff. 2-1-01.

RL 7.06 Standards for approval of treatment facilities or individual therapists. (1) The board or board liaison shall approve a treatment facility designated by a credential holder for the purpose of participation in the procedure if:

- (a) The facility is certified by appropriate national or state certification agencies.
- (b) The treatment program focus at the facility is on the individual with drug and alcohol abuse problems.
- (c) Facility treatment plans and protocols are available to the board liaison and coordinator.
- (d) The facility, through the credential holder's supervising therapist, agrees to file reports as required, including quarterly progress reports and immediate reports if a credential holder withdraws from therapy, relapses, or is believed to be in an unsafe condition to practice.

(2) As an alternative to participation by means of a treatment facility, a credential holder may designate an individual therapist for the purpose of participation in the procedure. The board liaison shall approve an individual therapist who:

- (a) Has credentials and experience determined by the board liaison to be in the credential holder's area of need.
- (b) Agrees to perform an appropriate assessment of the credential holder's therapeutic needs and to establish and implement a comprehensive treatment regimen for the credential holder.
- (c) Forwards copies of the therapist's treatment regimen and office protocols to the coordinator.

(d) Agrees to file reports as required to the coordinator, including quarterly progress reports and immediate reports if a credential holder withdraws from therapy, relapses, or is believed to be in an unsafe condition to practice.

(3) If a board liaison does not approve a treatment facility or therapist as requested by the credential holder, the credential holder may, within 10 days of notice of the determination, request the board to review the board liaison's adverse determination.

History: Cr. Register, January, 1991, No. 421, eff. 2-1-91; am. Register, July, 1996, No. 487, eff. 8-1-96; r. (1) (d) and (2) (d), renum. (1) (e) and (2) (e) to be (1) (d) and (2) (d) and am., Register, January, 2001, No. 541, eff. 2-1-01.

RL 7.07 Intradepartmental referral. (1) A credential holder who contacts the department and requests to participate in the procedure shall be referred to the board liaison and the coordinator for determination of acceptance into the procedure.

(2) The division may refer individuals named in informal complaints to the board liaison for acceptance into the procedure.

(3) The board liaison may refer cases involving the following to the division for investigation or prosecution:

(a) Credential holders participating in the procedure who are dismissed for failure to meet the requirements of their rehabilitation program or who otherwise engage in behavior which should be referred to prevent harm to the public.

(b) Credential holders who apply and who are determined to be ineligible for the procedure where the board liaison is in possession of information indicating a violation of law.

(c) Credential holders who do not complete an agreement for participation where the board liaison is in possession of information indicating a violation of law.

(d) Credential holders initially referred by the division to the board liaison who fail to complete an agreement for participation.

History: Cr. Register, January, 1991, No. 421, eff. 2-1-91; am. (l), (3) (a) to (d), Register, July, 1996, No. 487, eff. 8-1-96.

RL 7.08 Records. (1) CUSTODIAN. All records relating to the procedure including applications for participation, agreements for participation and reports of participation shall be maintained in the custody of the department secretary or the secretary's designee.

(2) AVAILABILITY OF PROCEDURE RECORDS FOR PUBLIC INSPECTION. Any requests to inspect procedure records shall be made to the custodian. The custodian shall evaluate each request on a case by case basis using the applicable law relating to open records and giving appropriate weight to relevant factors in order to determine whether public interest in nondisclosure outweighs the public interest in access to the records, including the reputational interests of the credential holder, the importance of confidentiality to the functional integrity of the procedure, the existence of any pledge of confidentiality, statutory or common law rules which accord a status of confidentiality to the records and the likelihood that release of the records will impede an investigation.

(3) TREATMENT RECORDS. Treatment records concerning individuals who are receiving or who at any time have received services for mental illness, developmental disabilities, alcoholism, or drug dependence which are maintained by the department, by county departments under s. 51.42 or 51.437, Stats., and their staffs and by treatment facilities are confidential under s. 51.30, Stats., and shall not be made available for public inspection.

(4) PATIENT HEALTH CARE RECORDS. Patient health care records are confidential under s. 146.82, Stats., and shall not be made available to the public without the informed consent of the patient or of a person authorized by the patient or as provided under s. 146.82(2), Stats.

History: Cr. Register, January, 1991, No. 421, eff. 2-1-91; am. (2), Register, July, 1996, No. 487, eff. 8-1-96.

RL 7.09 Report. The board liaison or coordinator shall report on the procedure to the board at least twice a year and if requested to do so by a board.

History: Cr. Register, January, 1991, No. 421, eff. 2-1-91; am. Register, July, 1996, No. 487, eff. 8-1-96.

RL 7.10 Applicability of procedures to direct licensing by the department. This procedure may be used by the department in resolving complaints against persons licensed directly by the department if the department has authority to discipline the credential holder. In such cases, the department secretary shall have the authority and responsibility of the "board" as the

term is used in the procedure and shall designate an employee to perform the responsibilities of the "board liaison."

History: Cr. Register, January, 1991, No. 421, eff. 2-1-91; am. Register, July, 1996, No. 487, eff. 8-1-96.

RL 7.11 Approval of drug testing programs. The department shall approve drug testing programs for use by credential holders who participate in drug and alcohol monitoring programs pursuant to agreements between the department or boards and credential holders, or pursuant to disciplinary orders. To be approved as a drug testing program for the department, programs shall satisfactorily meet all of the following standards in the areas of program administration, collection site administration, laboratory requirements and reporting requirements:

(1) Program administration requirements are:

(a) The program shall enroll participants by setting up an account, establishing a method of payment and supplying pre-printed chain-of-custody forms.

(b) The program shall provide the participant with the address and phone number of the nearest collection sites and shall assist in locating a qualified collection site when traveling outside the local area.

(c) Random selection of days when participants shall provide specimens shall begin upon enrollment and the program shall notify designated department staff that selection has begun.

(d) The program shall maintain a nationwide 800 number or an internet website that is operational 24 hours per day, 7 days per week to inform participants of when to provide specimens.

(e) The program shall maintain and make available to the department through an internet website data that are updated on a daily basis verifying the date and time each participant was notified after random selection to provide a specimen, the date, time and location each specimen was collected, the results of drug screen and whether or not the participant complied as directed.

(f) The program shall maintain internal and external quality of test results and other services.

(g) The program shall maintain the confidentiality of participants in accordance with s. 146.82, Stats.

(h) The program shall inform participants of the total cost for each drug screen including the cost for program administration, collection, transportation, analysis, reporting and confirmation. Total cost shall not include the services of a medical review officer.

(i) The program shall immediately report to the department if the program, laboratory or any collection site fails to comply with this section. The department may remove a program from the approved list if the program fails to comply with this section.

(j) The program shall make available to the department experts to support a test result for 5 years after the test results are released to the department.

(k) The program shall not sell or otherwise transfer or transmit names and other personal identification information of the participants to other persons or entities without permission from the department. The program shall not solicit from participants presently or formerly in the monitoring program or otherwise contact participants except for purposes consistent with administering the program and only with permission from the department.

(L) The program and laboratory shall not disclose to the participant or the public the specific drugs tested.

(2) Collection site administration requirements are:

(a) The program shall locate, train and monitor collection sites for compliance with the U.S. department of transportation collection protocol under 49 CFR 40.

(b) The program shall require delivery of specimens to the laboratory within 24 hours of collection.

(3) Laboratory requirements are:

DEPARTMENT OF REGULATION AND LICENSING

(a) The program shall utilize a laboratory that is certified by the U.S. department of health and human services, substance abuse and mental health services administration under 49 CFR 40. ~~If~~ the laboratory has had adverse ~~or~~ corrective action, the department shall evaluate the laboratory's compliance on a case by case basis.

(b) The program shall utilize a laboratory capable of analyzing specimens for drugs specified by the department.

(c) Testing of specimens shall be initiated within 48 hours of pickup by courier.

(dj) All positive ~~drug~~ screens shall be confirmed utilizing gas chromatography in combination with mass spectrometry, mass spectrometry, or another approved method.

(cj) The laboratory shall allow department personnel to tour facilities where participant specimens are tested.

(4) The requirements for reporting of results are:

(a) The program shall provide results of each specimen to designated department personnel within 24 hours of processing.

(b) The program shall inform designated department personnel of confirmed positive test results on the same day the test results are confirmed or by the next business day if the results are confirmed after hours. ~~on~~ the weekend or on a state or federal holiday.

(c) The program shall fax, e-mail or electronically transmit laboratory copies of drug test results at the request of the department.

(d) The program shall provide a medical review officer upon request and at the expense of the participant, to review disputed positive test results.

(e) The program shall provide chain-of-custody transfer of disputed specimens to an approved independent laboratory for retesting at the request of the participant or the department.

History: Cr. Register, January, 2001, No. 541, eff. 2-1-01.

Chapter RL 7

APPENDIX I

CONSENT FOR RELEASE OF INFORMATION

I, (#1), hereby authorize (#2) to provide the board liaison for the Department of Regulation and Licensing Impaired Professionals Procedure, P.O. Box 8935, Madison, Wisconsin 53708, or persons designated by the board liaison who are directly involved in administration of the procedure, with (#3). I further authorize (#4) to discuss with the board liaison or the board liaison's designee any matter relating to the records provided and to allow the board liaison or the board liaison's designee to examine and copy any records or information relating to me.

I hereby also authorize the board liaison or the board liaison's designee to provide (#5) with copies of any information provided to the board liaison pursuant to this consent for release of information authorizing the release of information to the board liaison from those persons and institutions.

In the event of my dismissal from the Impaired Professionals Procedure, I hereby also authorize the board liaison or the board liaison's designee to provide the Division of Enforcement with the results of any investigation conducted in connection with my application to participate in the Impaired Professionals Procedure and with any documentation, including patient health care records, evidencing my failure to meet participation requirements.

This consent for release of information is being made for the purposes of monitoring my participation in the Impaired Professionals Procedure and any subsequent procedures before the Wisconsin (#6); and for the further purpose of permitting exchange of information between the board liaison or the board liaison's designee and persons or institutions involved in my participation in the Impaired Professionals Procedure where such exchange is necessary in the furtherance of my treatment or to provide information to the Division of Enforcement in the event of my dismissal from the Impaired Professionals Procedure.

Unless revoked earlier, this consent is effective until (#7). I understand that I may revoke this consent at any time and that information obtained as a result of this consent may be used after

the above expiration date or revocation. A reproduced copy of this consent form shall be as valid as the original.

I understand that should I fail to execute this consent for release of information, I shall be ineligible to participate in the Impaired Professionals Procedure. I also understand that should I revoke this consent prior to completion of my participation in the Impaired Professionals Procedure, I will be subject to dismissal from the procedure.

I understand that the recipient of information provided pursuant to this Consent for Release of Information is not authorized to make any further disclosure of the information without my specific written consent, or except as otherwise permitted or required by law.

Dated this _____ day of _____, 19____.

Signature of IPP Participant Participant's Date of Birth

INSERTIONS

1. Participant
2. Persons and institutions provided with releases for provision of information to the department
3. Examples: Drug and alcohol treatment records
 Mental health/psychiatric treatment records
 Personnel records; work records
 Results of blood or urine screens
4. Persons or institutions given authorization
5. Persons or institutions given authorization in the first paragraph
6. Name of board
7. Date to which consent is effective

Chapter RL 8

ADMINISTRATIVE WARNINGS

RL 8.01	Authority and scope.	RL 8.05	Request for a review of an administrative warning
RL 8.02	Definitions.	RL 8.06	Procedures.
RL 8.03	Findings before issuance of an administrative warning.	RL 8.07	Transcription fees.
RL 8.04	Issuance of an administrative warning.		

RL 8.01 Authority and scope. Rules in this chapter are adopted under the authority of s. 440.205, Stats., to establish uniform procedures for the issuance and use of administrative warnings.

History: Cr. Register, January, 1999, No. 517, eff. 2-1-99.

RL 8.02 Definitions. As used in s. 440.205, Stats., and in this chapter:

(1) "Credential" means a license, permit, or certificate of certification or registration that is issued under chs. 440 to 480, Stats.

(2) "Department" means the department of regulation and licensing.

(3) "Disciplinary authority" means the department or an attached examining board, affiliated credentialing board or board having authority to reprimand a credential holder.

(4) "Division" means the division of enforcement in the department.

(5) "First occurrence" means any of the following:

(a) The credential holder has never been charged as a respondent in a formal complaint filed under ch. RL 2.

(b) Other than the matter pending before the disciplinary authority, no informal complaint alleging the same or similar misconduct has been filed with the department against the credential holder.

(c) The credential holder has not been disciplined by a disciplinary authority in Wisconsin or another jurisdiction.

(6) "Minor violation" means all of the following:

(a) No significant harm was caused by misconduct of the credential holder.

(b) Continued practice by the credential holder presents no immediate danger to the public.

(c) If prosecuted, the likely result of prosecution would be a reprimand or a limitation requiring the credential holder to obtain additional education.

(d) The complaint does not warrant use of prosecutorial resources.

(e) The credential holder has not previously received an administrative warning.

(7) "Misconduct" means a violation of a statute or rule related to the profession or other conduct for which discipline may be imposed under chs. 440 to 480, Stats.

History: Cr. Register, January, 1999, No. 517, eff. 2-1-99.

RL 8.03 Findings before issuance of an administrative warning. Before issuance of an administrative warning, a disciplinary authority shall make all of the following findings:

(1) That there is specific evidence of misconduct by the credential holder.

(2) That the misconduct is a first occurrence for the credential holder.

(3) That the misconduct is a minor violation of a statute or rule related to the profession or other conduct for discipline may be imposed.

(4) That issuance of an administrative warning will adequately protect the public.

History: Cr. Register, January, 1999, No. 517, eff. 2-1-99.

RL 8.04 Issuance of an administrative warning.

(1) An administrative warning shall be substantially in the form shown in Appendix I.

(2) An administrative warning may be issued to a credential holder by mailing the administrative warning to the last address provided by the credential holder to the department. Service by mail is complete on the date of mailing.

History: Cr. Register, January, 1999, No. 517, eff. 2-1-99.

RL 8.05 Request for a review of an administrative warning. A credential holder who has been issued an administrative warning may request the disciplinary authority to review the issuance of the administrative warning by filing a written request with the disciplinary authority within 20 days after the mailing of the administrative warning. The request shall be in writing and set forth:

(1) The credential holder's name and address.

(2) The reason for requesting a review.

History: Cr. Register, January, 1999, No. 517, eff. 2-1-99.

RL 8.06 Procedures. The procedures for an administrative warning review are:

(1) Within 45 calendar days of receipt of a request for review, the disciplinary authority shall notify the credential holder of the time and place of the review.

(2) No discovery is permitted. A credential holder may inspect records under s. 19.35, Stats., the public records law.

(3) The disciplinary authority or its designee shall preside over the review. The review shall be recorded by audio tape unless otherwise specified by the disciplinary authority.

(4) The disciplinary authority shall provide the credential holder with an opportunity to make a personal appearance before the disciplinary authority and present a statement. The disciplinary authority may request the division to appear and present a statement on issues raised by the credential holder. The disciplinary authority may establish a time limit for making a presentation. Unless otherwise determined by the disciplinary authority, the time for making a personal appearance shall be 20 minutes.

(5) If the credential holder fails to appear for a review, or withdraws the request for a review, the disciplinary authority may note the failure to appear in the minutes and leave the administrative warning in effect without further action.

History: Cr. Register, January, 1999, No. 517, eff. 2-1-99.

RL 8.07 Transcription fees. (1) The fee charged for a transcript of a review under this chapter shall be computed by the person or reporting service preparing the transcript on the following basis:

(a) If the transcript is prepared by a reporting service, the fee charged for an original transcription and for copies shall be the amount identified in the state operational purchasing bulletin which identifies the reporting service and its fees.

DEPARTMENT OF REGULATION AND LICENSING

(b) If a transcript is prepared by the department, the department shall charge a transcription fee of \$1.75 per page and a copying charge of \$.25 per page. If 2 or more persons request a transcript, the department shall charge each requester a copying fee of \$.25 per page, but may divide the transcript fee equitably among the requesters. If the department has prepared a written transcript for its own use prior to the time a request is made, the department shall

assume the transcription fee, but shall charge a copying fee of \$.25 per page.

(2) A person who is without means and who requires a transcript for appeal or other reasonable purposes shall be furnished with a transcript without charge upon the filing of a petition of indigence signed under oath.

History: Cr. Register, January, 1999, No. 517, eff. 2-1-99.

Chapter RL 8

APPENDIX I

DEPARTMENT OF REGULATION AND LICENSING

[DISCIPLINARY AUTHORITY]

ADMINISTRATIVE WARNING

This administrative warning is issued by the {disciplinary authority} to {credential holder} pursuant to s. 440.205, Stats. The {disciplinary authority} makes the following findings:

- 1) That there is evidence of professional misconduct by {credential holder}, to wit:
- 2) That this misconduct is a first occurrence for {credential holder}.
- 3) That this misconduct is a minor violation of {statute or rule}.
- 4) That issuance of this administrative warning will adequately protect the public and no further action is warranted.

Therefore, the {disciplinary authority} issues this administrative warning and hereby puts the {credential holder} on notice that any subsequent violation may result in disciplinary action. The investigation of this matter is hereby closed.

Date: _____

Signature of authorized representative
For {Disciplinary Authority}

Right to Review

You may obtain a review of this administrative warning by filing a written request with the {disciplinary authority} within 20 days of mailing of this warning. The review will offer the credential holder an opportunity to make a personal appearance before the {disciplinary authority}.

The record that this administrative warning was issued is a public record.

The content of this warning is private and confidential.

Chapter RL 9

DENIAL OF RENEWAL APPLICATION BECAUSE
APPLICANT IS LIABLE FOR DELINQUENT TAXES

RL 9.01 Authority.
RL 9.02 Scope; nature of proceedings.
RL 9.03 Definitions.

RL 9.04 Procedures for requesting the department of revenue to certify whether an applicant for renewal is liable for delinquent taxes.
RL 9.05 Denial of renewal.

RL 9.01 Authority. The rules in ch. RL 9 are adopted under the authority in s. 440.03, Stats.

History: Emerg. cr. eff. 11-14-96; Cr. Register, August, 1996, No. 488, eff. 9-1-96.

RL 9.02 Scope; nature of proceedings. The rules in this chapter govern the procedures for requesting the Wisconsin department of revenue to certify whether an applicant is liable for delinquent taxes owed to this state under s. 440.08 (4) (b), Stats., as created by 1995 Wis. Act 27 and amended by 1995 Wis. Act 233, to review denial of an application for renewal because the applicant is liable for delinquent taxes.

History: Emerg. cr. eff. 11-14-96; Cr. Register, August, 1996, No. 488, eff. 9-1-96.

RL 9.03 Definitions. In this chapter:

(1) "Applicant" means a person who applies for renewal of a credential. "Person" in this subsection includes a business entity.

(2) "Credential" has the meaning in s. 440.01 (2) (a), Stats.

(3) "Department" means the department of regulation and licensing.

(4) "Liable for any delinquent taxes owed to this state" has the meaning set forth in s. 73.0301 (1) (c), Stats.

History: Emerg. cr. eff. 11-14-96; Cr. Register, August, 1996, No. 488, eff. 9-1-96; correction in (4) made under s. 13.93 (2m) (b) 7., Stats.

RL 9.04 Procedures for requesting the department of revenue to certify whether an applicant for renewal is liable for delinquent taxes. (1) **RENEWAL APPLICATION FORM.** If the department receives a renewal application that does not include the information required by s. 440.08 (2g) (b), Stats., the application shall be denied unless the applicant provides the missing information within 20 days after the department first received the application.

Note: 1997 Wis. Act 191 repealed s. 440.08 (2g) (b), Stats.

(2) **SCREENING FOR LIABILITY FOR DELINQUENT TAXES.** The name and social security number or federal employer identification number of an applicant shall be compared with information at the Wisconsin department of revenue that identifies individuals and organizations who are liable for delinquent taxes owed to this state.

(3) **NOTICE OF INTENT TO DENY BECAUSE OF TAX DELINQUENCY.** If an applicant is identified as being liable for any delinquent taxes owed to this state in the screening process under sub. (2), the Wisconsin department of revenue shall mail a notice to the applicant at the last known address of the applicant according to s. 440.11, Stats., or to the address identified in the applicant's renewal application, if different from the address on file in the department. The notice shall state that the application for renewal submitted by the applicant shall be denied unless, within 10 days from the date of the mailing of the notice, the department of regulation and licensing receives a copy of a certificate of tax clearance issued by the Wisconsin department of revenue which shows that the applicant is not liable for delinquent state taxes or unless the Wisconsin department of revenue provides documentation to the department showing that the applicant is not liable for delinquent state taxes.

(4) **OTHER REASONS FOR DENIAL.** If the department determines that grounds for denial of an application for renewal may exist other than the fact that the applicant is liable for any delinquent taxes owed to this state, the department shall make a determination on the issue of tax delinquency before investigating other issues of renewal eligibility.

History: Emerg. cr. eff. 11-14-96; Cr. Register, August, 1996, No. 488, eff. 9-1-96.

RL 9.05 Denial of renewal. The department shall deny an application for credential renewal if the applicant fails to complete the information on the application form under s. RL 9.04 or if the Wisconsin department of revenue certifies or affirms its certification under s. 440.08 (4) (b) 3., Stats., that the applicant is liable for delinquent taxes and the department does not receive a current certificate of tax clearance or the Wisconsin department of revenue does not provide documentation showing that the applicant is not liable for delinquent taxes within the time required under s. RL 9.04 (2) and (3). The department shall mail a notice of denial to the applicant that includes a statement of the facts that warrant the denial under s. 440.08 (4) (b), Stats., and a notice that the applicant may file a written request with the department to have the denial reviewed at a hearing before the Wisconsin department of revenue.

Note: Section 440.08 (4) (b) 3., Stats., referred to here was repealed by 1997 Wis. Act 237 and a new, unrelated s. 440.08 (4) (b) recreated.

History: Emerg. cr. eff. 11-14-96; Cr. Register, August, 1996, No. 488, eff. 9-1-96.

Chapter RL 120

AUTHORITY AND DEFINITIONS

RL 120.01 Authority.

RL 120.02 Definitions

RL 120.01 Authority. The rules in this chapter are adopted under authority of s. 227.11 (2), Stats., and ch. 480, Stats.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 120.02 Definitions. As used in chs. RL 120 to 128:

(1) “Absolute auction” means an auction in which:

(a) The goods or real estate are sold to the highest bidder.

(b) No minimum price will limit the bid.

(c) The seller may not withdraw the goods or real estate from the auction after the first bid is received.

(d) The seller may not nullify the sale by bidding himself or herself or through an agent.

Note: An “absolute auction” is also known as an “auction without reserve”. The department will construe written statements of an auctioneer or auction company in advertising or in other written materials relating to an auction, such as “everything will be sold” or “everything goes,” as being indicative of the auctioneer’s intent to conduct an absolute auction.

(2) “Auction with reserve” means an auction where the seller or his or her agent reserves the right to establish a minimum bid, to accept or reject any and all bids or to withdraw the goods or real estate from sale at any time prior to the announcement of the completion of the sale by the auctioneer.

(3) “Board” means the auctioneer board.

(4) “Buyer’s fee or surcharge” means an amount of money, usually based on a percentage of the successful bid, charged to the successful bidder and either added to the successful bid to deter-

mine the final selling price or paid separately by the successful bidder in addition to the successful bid.

(5) “Consignor” means the owner or representative of the owner who places goods or real estate with a registrant for sale at auction.

(6) “Department” means the department of regulation and licensing.

(7) “False bid” means a non-existent bid acknowledged by an auctioneer in an attempt to escalate bidding.

(8) “Minimum bid” means the lowest acceptable price at which the seller agrees to complete the sale.

(9) “Registrant” means a person registered as an auctioneer or auction company by the department.

(10) “Shill” means an employee or agent of the registrant who bids against legitimate bidders at an auction to escalate bidding.

(11) “State registration number” means the number issued to a registrant by the department, as indicated upon the certificate of registration.

(12) “Trade name” means a name other than the name appearing on an auctioneer’s or auction company’s registration certificate, under which an auctioneer or an auction company advertises or does business.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95; am. Register, November, 1996, No. 491, eff. 12-1-96; am. (4) and cr. (12), Register, July, 1999, No. 523, eff. 8-1-99.

Chapter RL 121

APPLICATIONS

RL 121.01 Authority.
RL 121.02 Initial registration.
RL 121.025 Temporary registration.
RL 121.03 Consent by nonresident for service of process

RL 121.04 Renewal of registration.
RL 121.05 Cause for denial of registration.
RL 121.06 Change of name.
RL 121.07 Use of trade name.

RL 121.01 Authority. The rules in this chapter are adopted pursuant to ss. 227.11 (2), 440.03, 440.05, 440.08, 480.06, 480.08 and 480.10, Stats.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 121.02 Initial registration. (1) AUCTIONEER. The department may register as an auctioneer an applicant who satisfies the requirements in s. 480.08 (2) or (2m), Stats. The department shall consider s. 480.08 (2) (d), Stats., as having been satisfied, if the applicant has either received a seller's permit from the department of revenue under s. 77.52 (9), Stats., or the applicant has determined that he or she is not required to have a seller's permit and is, therefore, not eligible to obtain a permit.

(2) AUCTION COMPANY. The department may register as an auction company an applicant who satisfies the requirements in s. 480.08 (3), Stats. The department shall consider s. 480.08 (3) (d), Stats., as having been satisfied, if the applicant has either received a seller's permit from the department of revenue under s. 77.52 (9), Stats., or the applicant has determined that it is not required to have a seller's permit and is, therefore, not eligible to obtain a permit. An auction company is not required to have any of its officers, partners or directors registered as an auctioneer unless such officers, partners or directors engage in acts specified in s. 480.08 (1) (a), Stats.

Note: Applications may be obtained from the department located at 1400 East Washington Avenue, P.O. Box 8935, Madison, Wisconsin 53708. An otherwise qualified applicant shall be provided with reasonable accommodations.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 121.025 Temporary registration. A temporary registration certificate issued under s. 480.08 (7), Stats., shall be valid for no more than 60 days after the date that the applicant has filed an application for registration as an auctioneer with the department.

History: Cr. Register, January, 2001, No. 541, eff. 2-1-01.

RL 121.03 Consent by nonresident for service of process. The application of a nonresident person for registration as an auctioneer or auction company constitutes the appointment of the secretary of the department as the applicant's agent upon whom process may be served in any action or proceeding against the applicant arising out of a transaction or operation connected with or incidental to the business of an auctioneer or auction company.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 121.04 Renewal of registration. (1) AUCTIONEER. (a) Except as provided in s. RL 121.05, the department shall renew the credential of an auctioneer who files a completed application for renewal of registration before the renewal date, as defined in s. 440.01 (1) (dm), Stats., if all of the following conditions are satisfied:

1. The applicant has paid the renewal fee specified in s. 440.08 (2) (a) 14r., Stats.

2. The applicant continues to meet the registration criteria in s. 480.08 (2) (a) to (d), Stats.

(b) Except as provided in s. RL 121.05, the department shall renew the credential of an auctioneer who files a completed

application for renewal of registration after the renewal date, as defined in s. 440.01 (1) (dm), Stats., but less than 5 years after the renewal date, if all of the following conditions are satisfied:

1. The applicant has paid the renewal fee specified in s. 440.08 (2) (a) 14r., Stats., and the late renewal fee specified in s. 440.08 (3), Stats.

2. The applicant continues to meet the registration criteria in s. 480.08 (2) (a) to (d), Stats.

(c) The department shall renew the credential of an auctioneer who files a completed application for renewal of registration 5 years or more after the renewal date, as defined in s. 440.01 (1) (dm), Stats., if the following conditions are satisfied:

1. The applicant has paid the renewal fee specified in s. 440.08 (2) (a) 14r., Stats., and the late renewal fee specified in s. 440.08 (3), Stats.

2. The applicant continues to meet the registration criteria in s. 480.08 (2) (a) to (d), Stats.

3. The applicant has taken and passed the registration examination within one year prior to the date of the application for renewal of registration.

(2) AUCTION COMPANY. (a) Except as provided in s. RL 121.05, the department shall renew the credential of an auction company which files a completed application for renewal of registration before the renewal date, as defined in s. 440.01 (1) (dm), Stats., if all of the following conditions are satisfied:

1. The applicant has paid the renewal fee specified in s. 440.08 (2) (a) 14g., Stats.

2. The applicant continues to meet the registration criteria in s. 480.08 (3) (a) to (d), Stats.

(b) Except as provided in s. RL 121.05, the department shall renew the credential of an auction company which files a completed application for renewal of registration at any time after the renewal date, as defined in s. 440.01 (1) (dm), Stats., if all of the following conditions are satisfied:

1. The applicant has paid the renewal fee specified in s. 440.08 (2) (a) 14g., Stats., and the late renewal fee specified in s. 440.08 (3), Stats.

2. The applicant continues to meet the registration criteria in s. 480.08 (3) (a) to (d), Stats.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95. am. (1) (c) 3., Register, July, 1999, No. 523, eff. 8-1-99.

RL 121.05 Cause for denial of registration. The department may deny an application for registration as an auctioneer or auction company submitted by a person or entity who or which has committed fraud or misrepresentation in the application or who or which has done any acts which are grounds for discipline under s. 480.24, Stats.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 121.06 Change of name. If the name of a registered auctioneer or auction company appearing on the current registration certificate changes, written notice of the name change shall be sent to the department within 30 days after the name change.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 121.07 Use of trade name. A registered auctioneer or auction company, before doing business under any trade name, shall notify the department in writing of the trade name.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95; r. (1) and renum. (2) to be RL 121.07, Register, July, 1999, No. 523, eff. 8-1-99.

Chapter RL 122

EXAMINATIONS

RL 122.01 Authority.
RL 122.02 Public notice.
RL 122.03 Subjects tested.
RL 122.04 Cheating on examination

RL 122.05 Passing score.
RL 122.06 Examination review.
RL 122.07 Claim of examination error.
RL 122.08 Examination retakes.

RL 122.01 Authority. The rules in this chapter are adopted pursuant to ss. 227.11 (2), 480.06, 480.08 (2) (e) and (2m), and 480.10, Stats.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 122.02 Public notice. The department shall prepare an examination application form and informational materials which list the examination dates which have been scheduled by the department for no less than the 6 months following publication.

Note: Applications may be obtained from the department located at 1400 East Washington Avenue, P.O. Box 8935, Madison, Wisconsin 53708. An otherwise qualified applicant shall be provided with reasonable accommodations.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 122.03 Subjects tested. The department shall prepare examinations as required under s. 480.10, Stats. The examination shall be a written examination that tests the applicant's knowledge or competence in all of the following areas:

- (1) Solicitation.
- (2) Contracts.
- (3) Pre-auction preparation.
- (4) Conducting an auction.
- (5) Closing and sales records.

(6) Statutes and administrative rules substantially related to conducting an auction.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 122.04 Cheating on examination. An applicant may not give or receive unauthorized assistance during the examination, improperly remove notes, examination questions or secure documents from the examination setting, sell or distribute actual examination questions from the examination, buy or obtain unauthorized access to examination questions, or otherwise violate the published rules of conduct of the examination.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95; am., Register, July, 1999, No. 523, eff. 8-1-99.

RL 122.05 Passing score. The score required to pass the examination shall be based on the department's determination of the level of examination performance required for minimum acceptable competence in the profession. The department shall make the determination after consultation with subject matter experts who have reviewed a representative sample of the examination questions and available candidate performance statistics, and shall set the passing score for the examination at that point which represents minimum acceptable competence in the profession.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 122.06 Examination review. (1) An applicant who fails the examination may request a review of that examination by

filing a written request to the department within 30 days after the date on which the examination results were mailed to the applicant.

(2) An examination review shall be conducted under the following conditions:

(a) The time for review shall be limited to one hour.

(b) The examination shall be reviewed only by the applicant and in the presence of a proctor.

(c) The proctor may not respond to inquiries by the applicant regarding allegations of examination error.

(d) Any comments or claims of error regarding specific questions or procedures in the examination may be placed in writing by the applicant on the form provided for this purpose. The request shall be reviewed by the department in consultation with a subject matter expert. The applicant shall be notified in writing of the department's decision. If the decision does not result in a passing grade, the applicant may retake the examination.

(e) An applicant shall be permitted only one review of the failed examination each time it is taken and failed.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 122.07 Claim of examination error. (1) An applicant wishing to claim examination error must file a written request for department review in the department office within 30 days after the date the examination was reviewed. The request shall include:

(a) The applicant's name and address.

(b) The type of registration applied for.

(c) A description of the perceived error, including reference to citations or other supporting evidence for the applicant's claim.

(2) The request shall be reviewed by the department in consultation with a subject matter expert. The applicant shall be notified in writing of the department's decision. If the decision does not result in a passing grade, the applicant may retake the examination.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 122.08 Examination retakes. (1) There is no limit to the number of times any applicant may retake the examination.

(2) An applicant who passes the examination and remains unregistered for one year or more after the date of the examination shall again take and pass the examination before being registered.

(3) An applicant who reviews an examination pursuant to s. RL 122.06 may not retake the examination within 30 days after the date on which the examination was reviewed.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

Chapter RL 123

ADVERTISING

RL 123.01 Authority.
RL 123.02 False advertising.

RL 123.03 Contents of advertising.

RL 123.01 Authority. The rules in this chapter are adopted under authority of ss. 227.11 (2), 480.06, 480.20 and 480.24 (2) (d), Stats.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 123.02 False advertising. No registrant may advertise in a manner which is false, deceptive or misleading.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 123.03 Contents of advertising. All advertisements that an auction will be conducted shall contain the following information:

(1) The name or trade name of an auctioneer responsible for the auction conducted pursuant to the contract required under s. 480.14 (1), Stats., and the name or trade name of any auction company that is managing the auction.

(2) A statement that the auctioneer is a 'registered Wisconsin auctioneer' and the state registration number of the auctioneer.

(3) A statement of the terms and conditions under which the registrant will accept payment by buyers at the auction.

(4) The percentage or other amount of any buyer's fee or surcharge which is a condition to sale.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95; r. and REC., Register, July, 1999, No. 523, eff. 8-1-99.

Chapter RL 124

WRITTEN CONTRACTS

RL 124.01 Authority.
RL 124.02 Written contracts: terms

RL 124.03 Written contracts: copies

RL 124.01 Authority. The rules in this chapter are adopted under authority in ss. 227.11 (2), 480.06 and 480.14, Stats.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 124.02 Written contracts: terms. No auctioneer may conduct an auction unless the auctioneer or the auction company that is managing the auction has entered into a prior written contract with each owner or consignor of goods or real estate that may be sold at the auction. The contract shall specify the terms and conditions upon which the auctioneer or auction company accepts the goods or real estate for sale and must contain:

(1) The registrant's name, trade or business name, state registration number, business address and business telephone number.

(2) The name and address of the owner or consignor.

(3) A general description of the property to be sold at auction, any restrictions relating to conducting the auction and a statement indicating whether the registrant is authorized to purchase at the auction.

(4) A description of the services to be provided and the consideration for the services. The description must state which party is responsible for advertising and other expenses.

(5) A statement of whether a buyer's fee or surcharge will be assessed and, if so, the percentage or other amount to be charged to the successful bidder.

(6) The date, dates or time period during which the items will be sold at auction.

(7) A statement by the seller that he or she has title and right to sell all property to be sold at auction free of encumbrances and liens; or, if some or all of the property to be sold is subject to encumbrances or liens, a specific itemization of such property.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95; am. (5), Register, July, 1999, No. 523, eff. 8-1-99.

RL 124.03 Written contracts: copies. An auctioneer or auction company shall give the owner or consignor a legible copy of the contract referred to in s. RL 124.02 at the time of signing.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

Chapter RL 125

MAINTENANCE OF RECORDS

RL 125.01	Authority.	RL 125.05	Time of trust account deposit.
RL 125.02	Definition.	RL 125.06	Opening and closing trust accounts.
RL 125.025	Use of computers.	RL 125.07	Trust account designation.
RL 125.03	Account summary sheet for registrants not maintaining a trust account.	RL 125.08	Notification of the department regarding trust account
RL 125.035	Trust account required.	RL 125.09	Withdrawal of trust funds.
RL 125.04	Type of account.	RL 125.10	Commingling prohibited.
		RL 125.12	Trust account bookkeeping system.

RL 125.01 .Authority. The rules in this chapter are adopted pursuant to ss. 227.11 (2), 480.06, 480.14, 480.16 and 480.18, Stats.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 125.02 Definition. In this chapter, “trust funds” means cash, checks, share drafts, drafts or notes received by an auctioneer or an auction company on behalf of any other person while acting as an auctioneer or auction company for an auction of goods. “Trust funds” does not include proceeds received by an auctioneer or an auction company on behalf of any other person pursuant to an auction in which the written contract under s. 480.14, Stats., requires the registrant to pay the owner or consignor within 24 hours after the auction.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95. am. Register, July, 1999, No. 523, eff. 8-1-99.

RL 125.025 Use of computers. An auctioneer or an auction company may maintain any records required by this chapter in a computerized system, provided that:

(1) A backup copy of the bookkeeping records is made on any day on which entries are made in the computerized bookkeeping system. The backup copy shall be made on a disk or other medium which is separate and distinct from that on which the source documents reside.

(2) All records which are not maintained as written paper records are capable of being immediately converted to written paper records and immediately made available without charge to the department for the purposes of department audit or investigation.

History: Renum. from RL 125.12 and am. (intro.), Register, July, 1999, No. 523, eff. 8-1-99.

RL 125.03 Account summary sheet for registrants not maintaining a trust account. An auctioneer or auction company that is not required to maintain a trust account shall maintain an account summary sheet which shows the receipts, deposits, expenses and disbursements of each individual auction.

Note: This provision applies only to registrants not required to maintain a trust account. Registrants for whom a trust account is required must use the trust account bookkeeping system described in s. RL 125.12.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95; r and recr., Register, July, 1999, No. 523, eff. 8-1-99.

RL 125.035 Trust account required. An auctioneer or auction company shall maintain a trust account when the registrant receives and holds auction funds which are not disbursed to the owner or consignor under a written contract under s. 480.14, Stats., within 24 hours after the auction.

History: Cr. Register, July, 1999, No. 523, eff. 8-1-99.

RL 125.04 Type of account. An auctioneer or auction company may place trust funds in an interest bearing or non-interest-bearing account, provided that none of the interest inures to the benefit of the auctioneer or auction company.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 125.05 Time of trust account deposit. An auctioneer or auction company shall deposit trust funds in a trust account within 48 hours after receipt by the auctioneer or auction company.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 125.06 Opening and closing trust accounts.

(1) The department may not require an auctioneer or auction company to open a trust account before the auctioneer or auction company receives trust funds which must be deposited, unless the department finds, in a specific case, that an earlier opening of an account is needed in order to assure compliance with this chapter.

(2) An auctioneer or auction company may close a trust account when no trust funds remain in the auctioneer’s or auction company’s possession.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 125.07 Trust account designation. An auctioneer or auction company shall:

(1) Include the words “trust account” in the name of the trust account maintained by the auctioneer or auction company.

(2) Imprint the name of the auctioneer or auction company on the trust account checks, share drafts or drafts.

(3) Designate the account with the name appearing on the auctioneer’s or auction company’s registration certificate or with a trade name submitted to the department under s. RL 121.07.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 125.08 Notification of the department regarding trust account. (1) An auctioneer or an auction company shall provide the department with the name and number of every trust account maintained by the auctioneer or auction company and the name of the depository institution in which the auctioneer or auction company holds each trust account. The auctioneer or auction company shall provide this notification to the department on a form prepared by the department no later than 10 days after opening a trust account. The auctioneer or auction company shall authorize representatives of the department to examine and audit all of the auctioneer’s or auction company’s trust accounts.

(2) An auctioneer or an auction company shall obtain the certification of every depository institution in which the auctioneer or auction company maintains a trust account: in which the depository institution attests to the existence of the account and consents to the examination and audit of the account by a duly authorized representative of the department.

Note: A Consent to Examine and Audit Auctioneer Trust Account form may be obtained from the department located at 1400 East Washington Avenue, P.O. Box 8935, Madison, Wisconsin 53708.

(3) An auctioneer or auction company shall notify the department no later than 10 days after a change has been made to an auction trust account name, auction trust account number or depository institution name. The notification shall be provided on a form prepared by the department.

Note: Forms may be obtained from the board office located at 1400 East Washington Avenue, P. O. Box 8935, Madison, Wisconsin 53708.

(4) An auctioneer or auction company shall notify the department no later than 10 days after an auction trust account has been closed. This notification shall be made in written correspondence to the department.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95; cr. (3) and (4), Register, July, 1999, No. 523, eff. 8-1-99.

RL 125.09 Withdrawal of trust funds. An auctioneer or auction company shall withdraw funds to reimburse the auctioneer or auction company for expenses incurred and commissions and fees earned by the auctioneer or auction company within the 30 days specified in s. 480.14(3), Stats., or as otherwise provided by the terms of a contract.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 125.10 Commingling prohibited. (1) Except as provided in subs. (2) and (3), an auctioneer or an auction company may not commingle the auctioneer's or auction company's personal or company funds which are not trust funds in a trust account maintained pursuant to this chapter.

(2) An auctioneer or auction company may place personal or company funds in a trust account under the following conditions:

(a) Funds equal to the amount of any checks received by the auctioneer or auction company on behalf of an owner or consignor when such funds are deposited by the auctioneer to cover potential or actual "non-sufficient funds" checks received from purchasers.

(b) Funds sufficient to cover service charges relating to the trust account.

(3) An auctioneer or an auction company shall deposit additional personal or other funds in the trust account within 10 business days following receipt of a statement or other notification from a depository institution that the trust account is overdrawn.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 125.12 Trust account bookkeeping system. An auctioneer or an auction company required to maintain a trust account shall maintain a bookkeeping system that enables the auctioneer or auction company to adequately account for all trust funds in a trust account, to maintain an accurate and sufficient balance in the account and to account for all trust funds received from specified buyers and paid to specified sellers for specified purchases. The bookkeeping system shall consist of at least the following:

(1) **CHECK REGISTER.** An auctioneer or an auction company shall maintain a record regarding a trust account, called a check register, which shall show the date, the payee, the number of the check, share draft or draft and the amount.

(2) **BANK RECONCILIATION.** An auctioneer or an auction company shall reconcile the trust account in writing each month unless there has been no activity during the month. The written reconciliation shall include all of the following:

(a) The ending bank statement balance.

(b) The date and amounts of the deposits in transit.

(c) The check number and amounts of outstanding checks.

(d) The resulting reconciled bank statement ending balance.

(3) **VALIDATION.** The auctioneer or auction company shall review the reconciled bank statement ending balance, the account summary sheets described in sub. (4), and the check register to ensure that all of the records are accurate and in agreement as of the date the trust account statement has been reconciled.

(4) **ACCOUNT SUMMARY SHEET.** An auctioneer or auction company shall maintain a record regarding a trust account, called an account summary sheet, which shows the receipts, deposits, expenses and disbursements as they affect each individual auction.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95; renum. from RL 125.11, am. (intro.), cr. (1) to (4), Register, July, 1999, No. 523, eff. 8-1-99.

Chapter RL 126

CONDUCT

RL 126.01 Authority.
RL 126.02 Unprofessional conduct.

RL 126.03 Effect of suspension or revocation on registrant.

RL 126.01 Authority. The rules in this chapter are adopted under authority in ss. 227.11 (2), 480.06 and 480.24 (2) (b), Stats. History: Cr. Register, June, 1995, No. 474, eff. 7-1-95.

RL 126.02 Unprofessional conduct. Conduct evidencing a lack of knowledge or ability to apply professional principles or skills, within the meaning of s. 480.24 (2) (b), Stats., includes, but is not limited to, engaging in or aiding or abetting the following conduct:

(1) Performing or offering to perform services for which the registrant is not qualified by education, training or experience.

(2) Violating a law or rule of any jurisdiction, the circumstances of which substantially relate to the practice under the registration.

(3) Advertising an auction as an absolute auction if any item or items are to be sold with reserve or with minimum bids.

(4) Engaging in false, fraudulent, deceptive or misleading billing practices.

(5) Obtaining or attempting to obtain compensation by fraud or deceit.

(6) Reporting distorted, false or misleading information or making false statements in practice.

(7) Discriminating on the basis of age, race, color, sex, religion, creed, national origin, ancestry, disability or sexual orientation by means of service provided or denied.

(8) Knowingly escalating or attempting to escalate bidding through false bids, shills or through collusion with another.

(9) Violating or attempting to violate any formal disciplinary order of the auctioneer board.

(10) Knowingly providing false information to the board, the department or their agents.

(11) Cheating on the registration examination contrary to s. RL 122.04.

(12) Failing to post written notice at the location where the auction is to be conducted, prior to the commencement of an auction, of the terms and conditions under which the registrant will accept payment by buyers.

(13) If a buyer's fee or surcharge is a condition of sale, failing to post written notice at the location where the auction is to be conducted, prior to the commencement of an auction, of the percentage or other amount of the buyer's fee or surcharge.

History: Cr. Register, June, 1995, No. 474, eff. 7-1-95; cr. (11), (12) and (13), Register, July, 1999, No. 523, eff. 8-1-99; am. (13), Register, January, 2001, No. 541, eff. 2-1-01.

RL 126.03 Effect of suspension or revocation on registrant. (1) An auctioneer or auction company whose registration

has been suspended or revoked shall notify all persons with whom the auctioneer or auction company has a contract for services to be performed during the period of suspension or following revocation. The notice shall be in writing, state that the registration of the auctioneer or auction company has been suspended or revoked, and describe the terms of the suspension or revocation.

(2) An auctioneer or auction company whose registration has been suspended or revoked by the board may not engage in the following activities during the term of the suspension or revocation:

(a) Call an auction by calling for, recognizing, or accepting offers for the purchase of goods or real estate at an auction.

(b) Advertise, represent or otherwise hold out as being available to call or manage an auction.

(c) Advertise, represent or otherwise hold out as being an auctioneer or auction company or use the title "auctioneer," "registered auctioneer," "certified auctioneer," "licensed auctioneer," "auction company," "auction sales staff," "auction team member" or any similar title.

(d) Solicit, negotiate or enter into any auction contract, auction listing, auction consignment, or related auction agreement, including assisting or aiding another registrant to perform auction-related duties.

(e) Perform, manage or supervise any of the following:

1. Call for bids at any type of auction, including auctions under s. 480.02 (2) (a) to (h), Stats.

2. Oversee, in any manner, the conducting of any auction.

3. Accept any form of referral fee, finder's fee, commission, commission sharing or splitting, or related compensation from any auctioneer, auction company, or auctioneer-related professional.

4. Participate in any form of auctioneer-related bid-calling.

5. Suggest or imply to the public, privately or through advertising, that he or she is able to perform any of the activities in subds. 1. to 4.

(3) An auctioneer or auction company may not employ, retain or otherwise utilize an auctioneer or auction company whose registration has been suspended or revoked to perform any auction-related activity described in sub. (2). This section does not prohibit an auctioneer or auction company from contracting to perform services that an auctioneer or auction company is unable to perform because of a registration suspension or revocation and which the auctioneer or auction company contracted to perform prior to the license suspension or revocation.

History: Cr. Register, January, 2001, No. 541, eff. 2-1-01.

Chapter RL 127

SALE OF REAL ESTATE AT AUCTION

RL 127.01 Authority.
RL 127.02 Auction of real estate.
RL 127.03 Limitations.

RL 127.03 Contract.
RL 127.05 Real estate subject to exclusive listing contract.
RL 127.06 Solicitation of owners with exclusive listing contract prohibited

RL 127.01 Authority. The rules in this chapter are adopted under authority in ss. 227.11 (2), 480.01, 480.14 and 480.16, Stats.

History: Cr. Register, June, 1996, No. 486, eff. 7-1-96.

RL 127.02 Auction of real estate. (1) AUCTIONEER. An auctioneer may engage in, or advertise or otherwise hold himself or herself out as being available to engage in, the calling for and the recognition and acceptance of offers for the purchase of real estate at an auction, and may handle sales proceeds, down payments, earnest money deposits or other trust funds received by the auctioneer on behalf of the auctioneer's principal or any other person at or as a result of an auction of real estate.

(2) AUCTION COMPANY. An auction company may manage an auction of real estate and may have primary responsibility for handling sales proceeds, down payments, earnest money deposits or other trust funds received by the auction company on behalf of the auction company's principal or any other person at or as a result of an auction of real estate.

History: Or. Register, June, 1996, No. 486, eff. 7-1-96.

RL 127.03 Limitations. (1) REGISTRANT LICENSED AS A REAL ESTATE BROKER OR SALESPERSON. A registrant who is licensed as a real estate broker and who conducts an auction of real estate listed for sale with the registrant, or a registrant who is licensed as a real estate broker or salesperson and who conducts an auction of real estate listed for sale with the registrant's real estate broker-employer, may prepare contracts or other documents necessary to transfer title to the real estate or conduct any other activities requiring a real estate license under ch. 452, Stats., and chs. RL 11 to 26.

(2) REGISTRANT NOT LICENSED AS A REAL ESTATE BROKER OR SALESPERSON. (a) A registrant who is not licensed as a real estate broker or salesperson may, in connection with an auction of real estate:

1. Distribute written information describing real estate or the condition of the real estate to be auctioned, if the information has been made available by the owner of the real estate or a real estate licensee.

2. Provide access to real estate for the purpose of permitting prospective buyers to view the real estate.

3. Conduct inquiries in person, by telephone or by other media to determine whether the person being contacted is interested in bidding upon the real estate to be auctioned.

4. Perform other tasks relating to conducting an auction which do not require a real estate license under ch. 452, Stats.

(b) A registrant who is not licensed as a real estate broker or salesperson may not perform activities which require a real estate license under ch. 452, Stats., including but not limited to:

1. Preparing any contracts or other documents necessary to transfer title to real estate.

2. Distributing to prospective buyers written information about the real estate or conditions affecting the real estate which has not been provided by the owner of the real estate or the owner's agent.

3. Negotiating with a prospective buyer within the meaning of s. 452.01 (5m), Stats., other than by conducting an auction.

History: Cr. Register, June, 1996, No. 486, eff. 7-1-96.

RL 127.04 Contract. A registrant shall have a written contract with the owner of real estate to be sold at an auction, or the owner's agent, which specifies the terms and conditions upon which the auctioneer or auction company accepts the real estate for sale at auction. The following conditions apply to the contract:

(1) A registrant who is licensed as a real estate broker under ch. 452, Stats., shall use the appropriate approved listing contract form required under s. RL 16.03, when contracting with the owner to conduct an auction of real estate, and shall include provisions which comply with s. RL 124.02.

(2) A registrant who is licensed as a real estate salesperson shall use the appropriate approved listing contract form required under ch. RL 16, when contracting with the owner to conduct an auction of real estate if the salesperson is employed by a real estate broker, and shall include provisions which comply with s. RL 124.02.

(3) A registrant who is not licensed as a real estate broker or salesperson under ch. 452, Stats., shall use a contract that complies with s. RL 124.02.

History: Cr. Register, June, 1996, No. 486, eff. 7-1-96.

RL 127.05 Real estate subject to exclusive listing contract. Prior to entering into any contract for the sale of real estate at an auction, the registrant shall determine whether the real estate is subject to an exclusive real estate listing contract. If the real estate to be sold at an auction is subject to an exclusive real estate listing contract between the seller and a real estate broker other than the registrant, the registrant:

(1) May not enter into a contract under s. RL 127.04, with the real estate broker holding the exclusive real estate listing contract on the real estate.

(2) May not receive any sales proceeds, down payments, earnest money deposits or other trust funds as a result of an auction of the real estate, unless the contract under sub. (1) authorizes the registrant to do so.

History: Cr. Register, June, 1996, No. 486, eff. 7-1-96.

RL 127.06 Solicitation of owners with exclusive listing contract prohibited. A registrant may not solicit an owner of real estate to sell the real estate at an auction if the registrant knows that the real estate is subject to an exclusive real estate listing contract.

History: Cr. Register, June, 1996, No. 486, eff. 7-1-96.

Chapter RL 128

EDUCATIONAL PROGRAM

RL 128.01 Authority.
RL 128.015 Definitions.
RL 128.02 Education requirements prior to first renewal
RL 128.03 Courses; examinations.

RL 128.04 Approval of educational programs; courses and instructors
RL 128.05 Certification of completion of courses.
RL 128.06 Education examination.

RL 128.01 Authority. This chapter is adopted pursuant to ss. 227.11 (2) and 480.08 (6), Stats.

History: Cr. Register, November, 1996, No. 491, eff. 12-1-96.

RL 128.015 Definitions. In this chapter:

(1) "Distance education" means the provision of educational programs or courses without an instructor or a representative of an approved school physically present with the students. "Distance education" includes the delivery of educational programs and courses on CD-ROM, videotape, computer disk, or the internet.

(2) "Hour" means a period of 50 minutes of actual instruction.

(3) "Program provider" means a provider of either a program or a course or both.

History: CR 02-030: cr. Register September 2002 No. 561, eff. 10-1-02.

RL 128.02 Education requirements prior to first renewal. Except as provided in s. RL 128.06, every registered auctioneer applying to renew a registration shall complete at least 12 hours in an educational program, except that a registered auctioneer who is initially registered less than 6 months prior to the first renewal date shall complete the educational program prior to the date for the second renewal of the registration under s. 440.08 (2), Stats.

(3) A registered auctioneer may attend approved courses of one or more program providers in order to complete the courses which are part of the educational program.

(4) A registered auctioneer who acts as an instructor of an approved educational program or course shall receive credit toward satisfaction of the registered auctioneer's educational requirement. An instructor shall receive one hour of credit for each 50 minutes of instruction. The registered auctioneer may not receive credit for teaching a specific course more than one time during any biennium.

(5) The department may grant an extension of time for completion of the educational program by a registered auctioneer and the registered auctioneer may obtain a renewal registration for the extension period provided for one of the following:

(a) Health reasons which prevented attendance at the educational program or course.

(b) Active duty in the military service with assignment to a duty station outside Wisconsin.

(6) The department may either require a registered auctioneer to certify on a renewal application form that he or she has met the educational requirements when applying for renewal of the registration or the department may require a registered auctioneer to submit a certificate of completion which a registered auctioneer received from a program provider pursuant to s. RL 128.05. The department shall deny the renewal application until the certificate or certification is provided.

History: Cr. Register, November, 1996, No. 491, eff. 12-1-96; CR 02-030: am. (1) and (4), r. (2). Register September 2002 No. 561, eff. 10-1-02.

RL 128.03 Courses; examinations. (1) COURSES. The educational program shall consist of 4 courses and shall cover all of the topics under each paragraph title, be presented during no less than the number of hours stated after each paragraph title, and include:

(a) Course A: 3 hours in the Wisconsin laws relating to auctioneer ethical and professional conduct.

(b) Course B: 3 hours in the Wisconsin laws relating to maintenance of records and trust accounts.

(c) Course C: 3 hours in federal laws relating to auctioneering and Wisconsin laws other than those described in pars. (a) and (b).

(d) Course D: 3 hours in ~~one~~ of the following electives:

1. Real estate auctions - practice and legal requirements.

2. Commercial auctions - practice and legal requirements.

3. Agricultural auctions - practice and legal requirements.

4. Antiques, collectibles, or household auctions - practice and legal requirements.

5. Other related types of specialty auctions - practice and legal requirements.

(2) **EXAMINATIONS.** A program provider shall give a written examination subsequent to the completion of instruction of each course. A registered auctioneer, except a registered auctioneer who teaches a course, shall pass the examination in order to successfully complete the course. The examination shall consist of at least 5 multiple-choice questions for each hour of instruction. The program provider shall design the examination so that a person who is competent to protect the public when practicing as an auctioneer would achieve a score of 70% or more. A registered auctioneer who fails to achieve a passing score on an examination shall be permitted to retake the examination within a reasonable time as determined by the program provider. A registered auctioneer who twice fails an examination shall not be credited with having completed the course and is required to retake the course.

History: Cr. Register, November, 1996, No. 491, eff. 12-1-96; CR 02-030: r. and recr. Register September 2002 No. 561, eff. 10-1-02.

RL 128.04 Approval of educational programs; courses and instructors. (1) A program provider seeking initial approval from the department of an educational program or a course shall submit its application on a form provided by the department prior to the first date the program or course is offered. The program provider shall include a designation of the courses to be provided, the name and outline of the courses, the name and qualifications of the instructors, and the time segments of the courses. The department shall notify the provider whether the program or course has been approved or denied within 20 business days from the date the application is received. The department shall approve an educational program or course if the program provider submits to the department the information required by this subsection and agrees to comply with the provisions in subs. (2) to (6).

Note: Applications for educational program and course approval are available from the Department of Regulation and Licensing, Bureau of Direct Licensing and Real Estate, 1400 East Washington Avenue, P.O. Box 8935, Madison, Wisconsin 53708.

(1m) A program provider seeking the approval of a continuing education program or course that will be presented as distance education shall comply with sub. (1) and shall, additionally, describe to the department how the program provider will do all of the following:

(a) Ensure that instructors approved by the department under sub. (6) are available to the students at reasonable times and by reasonable means.

(b) Provide a reasonable level of examination security for the examination given at the end of each distance education continuing education course.

(c) Sufficiently cover the subjects specified for continuing education courses.

(d) Provide reasonable oversight to ensure that the students who take the examination are the enrolled students.

(e) Provide a reasonable opportunity for student self-evaluation of mastery.

Note: Applications for educational program and course approval are available from the Department of Regulation and Licensing, Office of Education and Examinations, 1400 East Washington Avenue, P.O. Box 8935, Madison, Wisconsin 53708.

(2) The educational program and courses shall be available to all registered auctioneers regardless of membership in any organization.

(3) Program providers shall agree to monitor attendance at the beginning and end of each course and to furnish each participant an individual certificate of completion. Program providers shall retain copies of attendance records and evidence of completion of the courses by registered auctioneers for at least 5 years from the date the courses were presented.

(4) Program providers shall agree to distribute course evaluation survey forms to registered auctioneers who attend the courses offered by the providers. Program providers shall retain the originals of the completed forms for at least 12 months after the date of completion of the course and, upon request from the department, make them available to the department.

(6) Course instructors shall be approved by the department. An instructor whose auctioneer registration has been limited, suspended or revoked in Wisconsin or any other jurisdiction may not instruct in approved courses while the disciplinary action is in effect. An approved instructor shall possess at least one of the following qualifications:

(a) Be an auctioneer registered in this state who is currently practicing auctioneering, and who has engaged in such practice for at least 5 years.

(b) Be an attorney who is engaged in the field of auctioneering-related law.

Note: Applications for approval of instructors are available from the Department of Regulation and Licensing, Bureau of Direct Licensing and Real Estate, 1400 East Washington Avenue, P.O. Box 8935, Madison, Wisconsin 53708.

History: Cr. Register, November, 1996, No. 491, eff. 12-1-96; CR 02430: am. (1), cr. (1m), r. (5), Register September 2002 No. 561, eff. 10-1-02.

RL 128.05 Certification of completion of courses.

(1) **COMPLETION REQUIREMENTS.** A registered auctioneer shall attend all the required hours before the program provider may give a certificate of completion to the registered auctioneer.

(2) **CERTIFICATION OF COMPLETION.** Program providers shall provide an individual certificate of completion to all registered auctioneers upon satisfactory completion of courses.

History: Cr. Register, November, 1996, No. 491, eff. 12-1-96.

RL 128.06 Education examination.

The department shall conduct an education examination. A registered auctioneer may take the education examination conducted by the department in lieu of the educational program set forth in s. RL 128.03. A registered auctioneer who passes the education examination shall not be required to complete the educational program.

(2) The education examination shall cover the courses required for the educational program approved by the department under s. RL 128.03, and shall have no less than 5 questions for each hour of instruction in the approved education program or courses.

(3) The department shall permit a registered auctioneer to retake the education examination one time. If the registrant fails the examination a second time, the registrant shall attend an approved educational program or courses.

(4) The department shall require a minimum passing score of 70 on the education examination.

(5) The department shall permit registrants who take the education examination to review the examination and the examination results, as provided in s. RL 122.06.

(6) Passing the examination for original registration as an auctioneer under s. 480.10, Stats., does not satisfy the requirements under this section.

History: Cr. Register, November, 1996, No. 491, eff. 12-1-96.

RL 128.07 Sunset provision. Cr. Register, November, 1996, No. 491, eff. 12-1-96; CR 02-030 r. Register September 2002 No. 561, eff. 10-1-02.

Chapter ATCP 11 ANIMAL MOVEMENT

Subchapter I — Definitions

ATCP 11.01 Definitions

Subchapter III — Bovine Animals

ATCP 11.17 Intrastate movement of bovine animals; paratuberculosis reactors.

Subchapter IV — Swine

ATCP 11.34 Selling equine animals

Note: Chapter Ag 11 as it existed in December 31, 1990 was repealed and a new ch. Ag 11 was created effective January 1, 1991; Chapter Ag 11 was renumbered ch. ATCP 11 under s. 13.93(2m) (b) 1., Stats., Register, April, 1993, No. 478.

Subchapter I — Definitions ATCP

11.01 Definitions. As used in this chapter: (1) "Accredited tuberculosis-free herd" means a herd of bovine animals, cervids or goats which is certified as tuberculosis-free by one of the following:

- (a) The department under s. ATCP 10.17, 10.62 or 10.67 (1).
- (b) The authorized animal health agency of the state in which the herd is located, under standards comparable to s. ATCP 10.17, 10.62 or 10.67 (1).

(2) "Accredited veterinarian" means a veterinarian who is both of the following:

- (a) Licensed to practice veterinary medicine.
- (b) Specifically authorized by the federal bureau and responsible state agency, pursuant to 9 CFR 160 to 162, to perform animal disease eradication and control functions under state and federal animal health laws.

Note: See s. ATCP 10.05.

(6) "Approved equine quarantine station" means a facility approved by the department under s. ATCP 11.32 to receive equine animals imported from foreign countries in which contagious equine metritis has been reported.

(7) "Approved feedlot" means a feedlot which holds an approved feedlot permit under s. ATCP 11.14.

(8m) "Axillary tuberculosis test" means a test under s. ATCP 11.54 (3) (c) that is used to detect tuberculosis in south american camelidae.

(9) "Bison" means American bison of any age or sex, commonly known as buffalo.

(10) "Boar" means an uncastrated male swine that is sexually mature.

(11) "Bovine animal" means cattle or American bison of any age or sex.

(11m) "Breeder swine" means all the following:

- (a) Sexually intact swine 4 months of age or older.
- (b) Swine intended for breeding, regardless of the age of the swine.

(12) "Brucellosis" means the contagious, infectious and communicable disease caused by bacteria of the genus *Brucella*.

Note: Brucellosis is also known as Bang's disease, undulant fever and contagious abortion.

(12m) "Brucellosis monitored herd" means a herd of cervids that is certified as a brucellosis monitored herd by one of the following:

- (a) The department under s. ATCP 10.675.
- (b) The authorized animal health agency in the state where the herd is located, under standards comparable to s. ATCP 10.675.

(13) "Brucellosis test" means a test, approved by the federal bureau and the department, that is used to determine whether an animal is infected with brucellosis.

(13m) "Brucellosis test eligible animals" means cattle and bison that are at least 18 months old as evidenced by the loss of the first pair of temporary incisor teeth, and official calfhod vaccinates that are parturient or post-parturient. "Brucellosis test eligible animals" does not include any of the following:

- (a) Steers.
- (b) Spayed heifers.
- (c) Official calfhod vaccinates of the dairy cattle breeds under 20 months old.
- (d) Official calfhod vaccinates of bison or beef cattle breeds under 24 months old. For purposes of this paragraph, animals that

have their first pair of fully erupted permanent incisor teeth are considered to be at least 24 months old.

(14) "Bull" means an uncastrated sexually mature male bovine animal.

(15) "Calf" means a sexually immature bovine animal of either sex.

(16) "Cattle" means any of the various animals of the domesticated genus *Bos*.

(16m) "Caudal fold tuberculin test" means a test under s. ATCP 10.15 (1) that is used to detect tuberculosis in bovine animals.

(17) "Certificate of veterinary inspection" means a written certificate that complies with s. ATCP 11.02 (2).

(17m) "Certified brucellosis-free flock" means a flock of sheep that is certified as brucellosis-free by one of the following:

- (a) The department under s. ATCP 10.64.
- (b) The authorized animal health agency in the state where the flock is located, under standards comparable to s. ATCP 10.64.

(18) "Certified brucellosis-free herd" means a herd of cattle, cervids, or goats that is certified as brucellosis-free by one of the following:

- (a) The department under s. ATCP 10.14, 10.61 or 10.675.
- (b) The authorized animal health agency in the state where the herd is located, under standards comparable to s. ATCP 10.14 or 10.61.

(18m) "Cervid" means a member of the family of animals that includes deer, elk, moose, caribou, reindeer and the subfamily musk deer. "Cervid" includes all "farm-raised deer".

(19) "Commingle" means kept or brought together with other animals in any environment which permits direct physical contact between the animals.

(20) "Communicable" means transmissible either directly or indirectly.

(21) "Contagious" means spread by contact, body secretions or fomites.

(22) "Cow" means a female bovine animal after first calving.

(23) "Department" means the state of Wisconsin department of agriculture, trade and consumer protection.

(24) "Equine animal" has the meaning given in s. 95.68 (1) (a), Stats.

(24p) "Equine infectious anemia," otherwise known as EIA or swamp fever, means the contagious and infectious disease of equine animals caused by a non-oncogenic retrovirus.

(24q) "Equine infectious anemia test" means a test approved by the department, and conducted at a department laboratory or a laboratory approved by the federal bureau, to determine whether an animal is infected with equine infectious anemia.

(25) "Equine market" has the meaning specified under s. 95.68 (1) (b), Stats.

(26) "Exotic disease" means any communicable, contagious or infectious disease of livestock or poultry not known to exist in Wisconsin.

(27) "Exotic ruminant" means a ruminant not indigenous to Wisconsin. "Exotic ruminant" includes llamas and other camelids, but does not include bovine animals or cervids.

(28) "Exposed" means subjected to a causative agent which may cause the exposed animal to contract a contagious, infectious or communicable disease.

(29) "Fair" means a state fair, county or district fair, exhibition, show, exposition, rodeo or trail ride.

(29m) "Farm-raised deer" has the meaning given in s. 95.001 (1) (a), Stats., but does not include cervids kept by an institution accredited by the american association of zoological parks and aquariums.

(30) "Federal bureau" means the animal and plant health inspection service of the United States department of agriculture, or any other unit of that department which may be vested with

authority to administer federal laws and regulations relating to animal disease control.

(30m) “Federally approved livestock import market” means a livestock market that complies with s. ATCP 11.04.

(31) “Feeder cattle” means bovine animals, kept for the sole purpose of feeding prior to slaughter, which are not more than 18 months old as evidenced by the absence of permanent teeth, and whose sexual status is one of the following:

- (a) Non-spayed female that is not parturient or post-parturient.
- (b) Spayed heifer.
- (c) Steer.

(32) “Feeder swine” means swine that weighs 80 pounds or less and are kept for the sole purpose of feeding for slaughter.

(32m) “Feeder swine pseudorabies monitored herd” means a herd of swine which is certified as being a feeder swine pseudorabies monitored herd by one of the following:

- (a) The department under s. ATCP 10.34.
- (b) The authorized animal health agency in the state where the herd is located, under standards comparable to s. ATCP 10.34.

(33) “Flock” as applied to poultry means all poultry on a farm, except that the department may designate as a separate “flock” any group of poultry that has not been allowed to commingle with other poultry on a farm for at least 21 days.

(33m) “Flock” as applied to sheep means a commonly owned or controlled group of sheep that have at some time been commingled or allowed to commingle with other sheep in the group.

(34) “Foreign disease” means any communicable, contagious or infectious disease of livestock and poultry not known to exist in the United States.

(35) “Hatchery” means premises used to hatch poultry or ratites. “Hatchery” includes buildings, incubators, hatchers and auxiliary equipment.

(36) “Heifer” means a female bovine animal up to first calving.

(37) “Herd” means a commonly owned or controlled group of animals, of the same species, that have at some time been commingled or allowed to commingle with other animals in the group.

(38) “Infectious” means caused by a pathogenic agent.

(40) “Keep farm-raised deer” means to own, rent, lease or serve as the custodian of farm-raised deer.

(40e) “Keeper of farm-raised deer” means a person who keeps farm-raised deer.

(41) “Livestock” means farm animals including bovine animals, sheep, goats, swine, farm-raised deer and equine animals.

(42) “Livestock dealer” has the meaning specified under s. 95.69 (1) (c), Stats., and includes any person who leases livestock to others.

(43) “Livestock dealer premises” means any location where a livestock dealer keeps, receives or sells livestock, or conducts livestock transactions, and which is owned, leased, or controlled by the livestock dealer.

(44) “Livestock market” has the meaning specified under s. 95.68 (1) (e), Stats.

(45) “Livestock trucker” has the meaning specified under s. 95.71 (1) (e), Stats.

(46) “Mare” means a female equine animal over 731 days of age.

(48) “Managerial animal” means a domestic or non-domestic animal kept individually or as part of a collection primarily for purposes of exhibition or competition.

(49) “Mycoplasmosis” means a disease of poultry caused by bacteria of the genus *Mycoplasma*.

(50) “National poultry improvement plan” means the plan established by the federal bureau under 9 CFR 145.

(51) “Negative” means an official diagnostic test result which discloses no evidence of disease.

(52) “Official backtag” means an identification backtag, approved by the federal bureau or the department, that conforms to the national uniform backtagging system.

Note: Examples of official back tags include the official Wisconsin bovine back tag and the official Wisconsin swine back tag.

(53) “Official eartag” means an identification eartag, approved by the federal bureau or the department, that conforms to the national uniform eartagging system.

Note: The official eartag uniquely identifies each individual animal with no duplication of the alpha-numeric identification, regardless of the materials or colors

used. Examples of official eartags include the official Wisconsin identification tag, the official U.S.D.A. Wisconsin vaccination tag, and the official Wisconsin swine eartag.

(54) “Official individual identification” means a set of identifying characters which is uniquely associated with an individual animal, and which consists of one of the following:

- (a) The animal’s official eartag number.
- (b) The animal’s breed association tattoo.
- (c) The animal’s breed association registration number.
- (d) A registration freeze brand number which uniquely identifies the animal.
- (e) The official breed registration lip tattoo number of an equine animal which uniquely identifies that equine animal.

(f) A written or graphic description of an equine animal, prepared by a licensed and accredited veterinarian, which uniquely identifies that equine animal and includes all of the following:

- 1. A complete and accurate description of the equine animal’s breed, coloration and distinguishing markings.
- 2. The equine animal’s sexual status.
- (g) The microchip number of a ratite which uniquely identifies that ratite.
- (h) The leg band number of ratite which uniquely identifies that ratite.

(i) For a swine weighing 80 pounds or less, the premises identification of the premises of origin.

(j) Other identification approved by the department.

(55) “Official spayed heifer” means a female bovine animal which has had its ovaries removed and is identified by an open spade brand or spay certificate.

(56) “Official vaccinate” means a female bovine animal which is vaccinated against brucellosis, and identified and reported as a vaccinate, in compliance with s. ATCP 10.10 or comparable laws of another state.

(57) “Open spade brand” means a branding mark consisting of the outline of an inverted heart with a short stalk at the bottom, used for the identification of spayed heifers.

(58) “Originates from a herd” or “originating from a herd” means coming from a herd, other than a group of animals temporarily assembled for sale or shipment, in which the animal was born or kept since birth, or in which the animal was kept for at least 120 days.

(58m) “Originates from a state” or “originating from a state” means coming directly from one of the following:

- (a) A state in which the animal was born and kept since birth.
- (b) A state to which the animal was moved from a state holding an equal or better federal classification for the disease in question.
- (c) A state in which the animal has been kept for at least 120 days.

(59) “Paratuberculosis” means the infectious and communicable disease of domestic ruminants, commonly known as Johne’s disease, which is caused by *Mycobacterium paratuberculosis*.

(63) “Person” includes any individual, corporation, partnership association, limited liability company, trust, governmental entity, or other organization or entity.

(64) “Poultry” means domesticated fowl, including chickens, turkeys, waterfowl, and game birds, except doves and pigeons, which are bred for the primary purpose of producing eggs or meat. “Poultry” does not include ratites.

(65) “Pseudorabies” means the contagious, infectious and communicable disease of livestock and other animals which is caused by the pseudorabies herpes virus, and which is also known as Aujeszky’s disease, mad itch, or infectious bulbo-paralysis.

(66) “Pseudorabies test” means the negative serum neutralization (SN) test or another pseudorabies diagnostic test which is approved by the department and conducted at a laboratory approved by the department or the federal bureau.

(67) “Pullorum” means a disease of poultry caused by *Salmonella pullorum*.

(67m) “Qualified pseudorabies negative grow-out herd” means a grow-out herd of swine that is certified by one of the following:

- (a) The department under s. ATCP 10.33.
- (b) The authorized animal health agency in the state where the herd is located, under standards comparable to s. ATCP 10.33.

(68) “Qualified pseudorabies negative herd” means a herd of swine that is certified by one of the following:

- (a) The department under s. ATCP 10.32.

(b) The authorized animal health agency in the state where the herd is located, under standards comparable to s. ATP 10.32.

(69) "Racing animal" means a greyhound or other racing canine, and equine animals which participate in organized races such as county, district, or state fairs, or other organized racing events where cash, points, or awards are given as prizes.

(69m) "Ratite" means a member of the group of flightless birds that includes the ostrich, emu, cassowary, kiwi and rhea.

(70) "Reactor" means an animal which has reacted positively in a conclusive diagnostic test for an infectious, contagious or communicable disease.

(70g) "Shipped directly to a slaughtering establishment" means delivered to a slaughtering establishment within 10 days without leaving slaughter channels, except that if an animal is a brucellosis, tuberculosis, pseudorabies, chronic wasting disease or scrapie reactor, "shipped directly to a slaughtering establishment" means delivered to a slaughtering establishment without being off-loaded at any other location in this state.

(70m) "Single cervical tuberculin test" means a test under s. ATP 10.66 (4) that is used to detect tuberculosis in cervidae.

(71) "Slaughtering establishment" means a slaughtering establishment that is licensed by the department, or subject to inspection by the United States department of agriculture. "Slaughtering establishment" includes all premises used in connection with a slaughter operation.

(71m) "South american camelid" means a llama, alpaca, vicuna or guanaco.

(72) "Sow" means a sexually mature female swine.

(73) "Stallion" means a male equine animal over 731 days of age but does not include a gelding.

(74) "State veterinarian" means the administrator of the animal health division of the department, or a veterinarian who is authorized by the administrator to act on his or her behalf.

(75) "Steer" means a castrated male bovine animal.

(76) "Suspect" means an animal which is suspected of having a disease, based on test results or other reliable information, but which is not yet confirmed to have the disease.

(77) "Swine" means a domestic hog or any variety of wild hog.

(78) "Swine growth performance test station" or "swine test station" means a premises where swine are assembled for purposes of determining feeding efficiency.

(79) "Test mare" means a mare which is used in determining the disease status of stallions with respect to contagious equine metritis.

(80) "Tuberculosis" means the contagious, infectious and communicable disease caused by *Mycobacterium bovis*.

(80m) "Tuberculosis monitored herd" means a herd of cervids that is certified as a tuberculosis monitored herd by one of the following:

(a) The department under s. ATP 10.67.

(b) The authorized animal health agency of the state where the herd is located, using standards comparable to those under s. ATP 10.67.

(80p) "Tuberculosis non-modified accredited state" means a state or area that the federal bureau has classified as a bovine tuberculosis non-modified accredited state or a state or area in which bovine tuberculosis is present in at least 0.01 percent but not more than 0.1 percent of the total number of herds or cattle and bison in the state.

(80r) "Tuberculosis qualified herd" means a herd of cervids that is certified as a tuberculosis qualified herd by one of the following:

(a) The department under s. ATP 10.67.

(b) The authorized animal health agency of the state where the herd is located, using standards comparable to those under s. ATP 10.67.

(81) "Tuberculosis test" means a test, approved by the department, which is used to detect tuberculosis in animals. "Tuberculosis test" includes any of the following tests when authorized or required under this chapter:

(a) A caudal fold tuberculin test or a comparative cervical tuberculin test for bovine animals.

(b) A single cervical tuberculin test or a comparative cervical tuberculin test for cervids.

(c) An axillary tuberculosis test for exotic ruminants or south american camelidae.

(82) "Typhoid" or "fowl typhoid" means a disease of poultry caused by *Salmonella gallinarum*.

(82m) "USDA" means the United States department of agriculture.

(83) "Validated brucellosis-free herd" means a herd of swine which is certified as brucellosis-free by one of the following:

(a) The department under s. ATP 10.36.

(b) The authorized animal health agency of the state where the herd is located, under standards comparable to s. ATP 10.36.

(84) "Veal calf" means a bovine animal of either sex, not more than 120 days old, which is kept for the sole purpose of feeding prior to slaughter for veal.

(84m) "Wisconsin certified veterinarian" means a veterinarian certified under s. ATP 10.05.

(85) "Zoo" or "zoological park" means any park, building, cage, enclosure, or other structure or premises in which a live animal or animals are kept for public exhibition or viewing, regardless of whether admission or other consideration is paid by the viewer.

History: Cr. Register, December, 1990, No. 420, eff. 1-1-91; emerg. cr. (18j), (18m), (20m) and (70m), eff. 3-18-91; cr. (18j), (18m), (20m), (70m) and (85), am. (27), Register, November, 1991, No. 431, eff. 12-1-91; am. (27), r. and recr. (58), cr. (58m), Register, September, 1993, No. 453, eff. 10-1-93; cr. (24p) and (24q), Register, January, 1994, No. 457, eff. 2-1-94; am. (25), (42), (44), (45), (64), renum. (54) (d) to be (54) (i), cr. (54) (d) to (h), (69m), Register, March, 1995, No. 471, eff. 4-1-95; am. (1), (41), cr. (8m), (16m), (71m), (80m), (80r), r. and recr. (13), (20m), (70m), (81), r. (18j), (40), Register, February, 1996, No. 482, eff. 3-1-96; emerg. cr. (40), eff. 6-3-96; am. (18m), (41), cr. (29m), (40), (40e), Register, December, 1996, No. 492, eff. 1-1-97; r. (60), Register, September, 1999, No. 525, eff. 7-1-00; emerg. cr. (11m), eff. 5-25-00; am. (1) (intro.), (7), (17), (18), (18m), (24), (27), (29m), (32), (35), (49), (50), (52), (53), (54) (e), (f) 2., (63), (68), (71), (80m), (80r), (83) and (85), r. (3) to (5), (8), (20m), (39), (47), (61) and (62), r. and recr. (33), (37) and (81) (b), renum. (54) (i) to be (54) (j), cr. (11m), (12m), (13m), (17m), (30m), (32m), (33m), (54) (i), (67m), (70g), (82m) and (84m), Register, November, 2000, No. 539, eff. 12-1-00; cr. (80p), Register, April, 2001, No. 544, eff. 5-1-01.

ATCP 11.16 Intrastate movement of bovine animals; brucellosis test.

History: Cr. Register, December, 1990, No. 420, eff. 1-1-91; am. (1), (2) (g), Register, March, 1995, No. 471, eff. 4-1-95; cr. (2) (L), Register, February, 1996, No. 482, eff. 3-1-96; r. Register, November, 2000, No. 539, eff. 12-1-00.

ATCP 11.17 Intrastate movement of bovine animals; paratuberculosis reactors. Intrastate movement of bovine animals; paratuberculosis reactors. No person may sell or move, from a location in this state, a bovine animal determined to be a paratuberculosis reactor under s. ATP 10.21 (9) unless a Wisconsin certified veterinarian first identifies that reactor with a permanent paratuberculosis reactor identification approved by the department.

History: Cr. Register, September, 1999, No. 525, eff. 7-1-00; am. Register, November, 2000, No. 539, eff. 12-1-00.

Subchapter V — Equine Animals

ATCP 11.34 Selling equine animals. (1) TEST REQUIRED. Except as provided in sub.(2), no person may sell or transfer ownership of any equine animal in this state unless one of the following applies:

(a) The animal has tested negative for equine infectious anemia during the current calendar year and the official test report accompanies the animal.

(b) The sale or transfer of ownership occurs on or before January 31, the animal has tested negative for equine infectious anemia during the preceding calendar year and the official test report accompanies the animal.

(2) **EXEMPTIONS.** Subsection (1) does not apply to any of the following:

(a) A nursing foal accompanying its dam.

(b) An equine animal sold directly to a slaughtering establishment for slaughter.

(c) An equine animal consigned to a livestock market for sale directly to slaughter. If the animal is not sold to slaughter within 10 days after it is received at the market, it shall be tested immediately.

(d) An equine animal sold to a livestock market operator, provided that the livestock market operator shall either ship the animal to slaughter or have the animal tested within 10 days after purchase.

History: Cr. Register, January, 1994, No. 457, eff. 2-1-94; r. and recr. (1), Register, July, 1995, No. 475, eff. 8-1-95; r. and recr. Register, November, 2000, No. 539, eff. 12-1-00.

Chapter Tax 11

SALES AND USE TAX

Subchapter VII — Types of Retailers

Tax 11 50 Auctions

Subchapter VII — Types of Retailers

Tax 11.50 Auctions.

(1) STATUTE. Section 77.51 (13) (b), Stats., provides that every person engaged in the business of making sales at auction of tangible personal property owned by the person making the sale or others is a “retailer”. The definition of “retail sale” contained in s. 77.51 (14) (a), Stats., includes any sale at an auction.

(2) RETAILER. If an auction company provides complete auction service, it is the retailer. If an auctioneer contracts with the owner of the auctioned property and arranges for clerking the auction, the auctioneer is the retailer. Auctioneers and auction companies who are retailers are responsible for reporting the sales tax on auction receipts even if the owner of the property has a seller’s permit.

(3) TAXABLE AUCTION RECEIPTS. Taxable receipts from auctions include gross receipts from:

(a) Auction sales held regularly at an established place of business, such as an auction house or auction barn. The household goods exemption does not apply to these sales.

(b) Auctions held regularly on radio, television or CATV. The household goods exemption does not apply to these auctions.

(c) Auctions sponsored on an annual or other regular basis by nonprofit organizations or others, except as provided in sub. (4) (d). The household goods exemption does not apply to these auctions.

(d) Auction sales of heavy equipment and going-out-of-business auction sales of retail stores, motels, wholesalers, manufacturers, contractors and service enterprises. The household goods exemption does not apply to these sales.

(e) Auction sales of antiques and works of art except when sold with other household goods of which they were a part.

(f) Auction sales of professional or business inventories or equipment even though they may consist of household goods.

(g) Sheriffs’ sales and other auction sales made pursuant to orders of a Wisconsin court.

(h) All other auction sales which are not specifically exempt under the law.

(i) Liquidation sales of an insolvent debtor’s assets which are made pursuant to the order of a federal bankruptcy court.

(4) EXEMPT AUCTION RECEIPTS. Gross receipts from the following auction sales are exempt:

(a) Auction sales of household goods or personal farm property which are not held at regular intervals. The following auctions are generally held on the property owner’s premises:

1. “Household goods” includes tangible personal property which is associated with maintaining a household and is for family use. Items which are not considered “household goods” include: a.

Highway motor vehicles or trailers, snowmobiles, all-terrain vehicles, mini bikes, aircraft and boats. b. Professional or business inventory equipment.

Example: Household goods include furniture necessary or ornamental to a house in furnishing or fitting it for use by members of the household.

Thus auction sales of goods removed from a family home, such as tables, chairs, lamps, appliances, beds, clocks, musical instruments, dressers, lawn and garden equipment, jugs and fruit jars, Register, July, 2002, No. 559 sporting goods or hobby equipment including bats, balls, tennis racquets, golf clubs, guns and ammunition and related hunting equipment, fishing equipment, camping equipment, photographic equipment, tools and bicycles are not taxable.

2. “Personal farm property” includes tractors, implements of husbandry, machines, equipment or other tangible personal property used by a farmer to till the soil and raise crops. “Personal farm property” does not include riding horses or other recreational animals, highway vehicles, boats, snowmobiles and mini bikes.

(b) Sales for resale or sales which are otherwise exempt. If such a sale is made at an auction, the person conducting the auction should obtain a properly completed resale or exemption certificate from the purchaser.

(d) Auction sales by religious, charitable, educational or civic organizations and other nonprofit organizations which conduct a fund raising event, if:

1. The auctioneer is not the retailer, because the auctioneer’s services are donated; and

2. The organization is not engaged in a trade or business and not otherwise required to have a seller’s permit. **An** organization is not engaged in a trade or business if:

a. Its sales of otherwise taxable tangible personal property or services or its events occur on 20 days or less during the calendar year, or

Example: A boy scout troop takes orders for Christmas wreaths from October 1 through November 1. The wreaths are delivered by the troop on December 15 and 16. For purposes of determining whether its events meet the 20-day test, the troop should use the days of delivery rather than days orders are taken.

b. Its taxable gross receipts for the calendar year are \$15,000 or less.

Examples: 1) A church sells cookies and cakes at a bake sale. Since the sale of cookies and cakes for off-premise consumption is exempt from sales tax, the sale of these items is not counted as gross receipts for purposes of the \$15,000 receipts test.

2) A nonprofit organization, which sells hundreds of Christmas trees, sells 5 Christmas trees for \$100 to a public school. Although Christmas trees are taxable tangible personal property, a public school can purchase tangible personal property exempt from sales tax. This \$100 exempt sale to the school is not counted as gross receipts for purposes of the \$15,000 receipts test.

Note: Section Tax 11.50 interprets s. 77.51 (9) (e), (13) (b) and (14) (intro.) and (a), Stats.

Note: The interpretations in s. Tax 11.50 are effective under the general sales and use tax law on and after September 1, 1969, except that the standard in sub. (4) (d) 2. became effective January 1, 1989, pursuant to 1987 Wis. Act 399.

History: Cr. Register, January, 1978, No. 265, eff. 2-1-78; am.(3) (e), Register, December, 1983, No. 336, eff. 1-1-84; am.(4) (d) 3., Register, April, 1985, No. 352, eff. 5-1-85; am.(4) (d) 3., Register, December, 1987, No. 384, eff. 1-1-88; am.(2), (3) (a), (b), (c), (d) and (h) and (4) (a) (intro.), 1 (intro.), a. and 2. and (d) (intro.), 1. and 2., r.(4) (d) 3., renum.(4) (c) to be (3) (i), Register, June, 1991, No. 426, eff. 7-1-91.

Chapter Trans 138

DEALER FACILITIES, RECORDS, AND LICENSES

Trans 138.01	Authority, purpose and scope.
Trans 138.02	Definitions.
Trans 138.025	Motor vehicle dealer license required; exceptions
Trans 138.027	Wholesaler.
Trans 138.028	Retail auctioneers; limited exemption.
Trans 138.03	Dealer business facilities.
Trans 138.04	Records kept.

Trans 138.05	Auction dealers.
Trans 138.06	Business signs.
Trans 13X.07	Lease agreement.
Trans 138.08	Temporary sales locations.
Trans 135.09	Effect of suspension, denial, revocation or voluntary surrender of license.

Note: Chapter MVD 13 as it existed on July 31, 1981 was renumbered to be chapter Trans 13X effective August 1, 1981.

Trans 138.01 Authority, purpose and scope. (1) As authorized by ss. 85.16 (1), 218.0152, and 227.11 (2), Stats., the purpose of this chapter is to interpret ss. 218.0101 (6) and (23) (a), 218.0114 (14) (a), 218.0116 (1) (om), (3), and (5), 218.0119, 218.0146, 218.30, 218.32 (2) and (4) (c), 227.51 (2), 341.51 (3), and 342.16 (2), Stats., relating to the activities defining a motor vehicle dealer, wholesaler, and motor vehicle auction dealer, and exceptions thereto: the records and facilities required of such dealers; and the business activities of motor vehicle dealers during or after suspensions, revocations, denials or voluntary surrenders of licenses.

(2) This chapter pertains to any person applying for or holding a Wisconsin motor vehicle dealer, motor vehicle wholesale dealer, or motor vehicle auction dealer license.

(3) One purpose of this chapter is to interpret the definition of a motor vehicle dealer found in s. 218.0101, Stats., and that section's requirement that all motor vehicle dealers be licensed. The definition of a dealer is intended to cover a broad range of business activities relating to the sale of motor vehicles, yet it is also designed to give limited exemptions and thus ensure flexibility for individuals and businesses who wish to dispose of their private vehicles and provide advertising or other general business services to dealers.

History: Cr. Register, July, 1981, No. 307, eff. 8-1-81; am. (1) and (2), Register, October, 1984, No. 336, eff. 11-1-83; correction in (1) made under s. 13.93(2m)(b) 7, Stats., Register, December, 1987, No. 384; am. (1), cr. (3), Register, June, 1991, No. 426, eff. 7-1-91; corrections in (1) and (3) made under s. 13.93(2m)(b) 7, Stats.

Trans 138.02 Definitions. Words and phrases defined in ch. 218, Stats., have the same meaning in this chapter unless additional interpretations are specified.

(1) "Auction dealer" means a person who for compensation takes possession, whether through consignment or bailment or any other arrangement, of a motor vehicle owned by a motor vehicle dealer and offers it for sale at an auction open only to motor vehicle dealers or wholesalers.

(2) "Compensation" means commission, money, goods, services, or other thing of value. The term includes any increase in the value or attractiveness of membership, affiliation, or employment with a club, association, corporation, government agency, or other organization.

(3) "Department" means the Wisconsin department of transportation.

(4) "Incidental sales" mean sales of motor vehicles incidental to their owner's primary business activities. Vehicle sales are incidental to their owner's primary business activities if the owner provides a service, manufactures a product, or is engaged in some other clearly identifiable business activity which is demonstrably distinct from the sale of motor vehicles or their lease with an option of purchase; and if the vehicles are purchased and used primarily to serve the transportation needs of the owner's business or its employees in their work.

(5) "Lease with the option of purchase" means to rent or lease a vehicle to a person with an option or right to buy the vehicle, whether or not the option or right to purchase is described in the rental or leasing contract. The term includes offering contracts to prospective lessees.

(6) "Negotiate a sale or exchange of an interest in motor vehicles" means any bargaining by a person other than a prospective retail buyer over the terms of a motor vehicle sale, exchange, or lease with an option of purchase. The term includes establishing or offering to establish agreements with dealers or other vehicle owners concerning the conditions under which the owners may sell their vehicles or lease them with an option of purchase to any person or group of persons. Such conditions may include vehicle prices or discounts, formulas for determining prices, or criteria for determining a consumer's eligibility for these or other conditions of sale.

(7) "Perfect or case bound" means a book that is permanently bound by gluing, stitching or both.

(8) "Privately titled" means a vehicle owned by a person who acquired the vehicle through a bona fide sales transaction in which anything of substantial value was exchanged to acquire ownership of the vehicle for purposes other than lease, rental or resale, and the person is not a motor vehicle manufacturer, final stage manufacturer, converter, distributor, wholesaler, motor vehicle dealer, auction dealer, or leasing or rental company.

(9) "Retail auctioneer" means a person who for compensation takes possession of a motor vehicle owned by another person, whether through consignment or bailment or any other arrangement, and offers the vehicle for sale to retail buyers by auction.

(10) "Sell" means to transfer or offer to transfer ownership of a motor vehicle for compensation, whether or not the person executing or offering to execute the transfer owns the vehicle. Selling includes displaying, depicting, or describing the vehicle to potential buyers and indicating by any means that the person is willing to sell the vehicle or accept an order for the vehicle's future sale or the sale of a similar vehicle. The term also includes executing or offering to execute a lease with a requirement that the lessee purchase the vehicle.

Note: This definition of "selling" includes the activities of consignment dealers, who may display vehicles and negotiate sales on behalf of the vehicles' owners but do not own the vehicles themselves.

(11) (a) "Services aiding the sale" of motor vehicles means describing or displaying specific vehicles or representing the conditions under which they are available for sale or lease with an option of purchase to prospective buyers or lessors. These services may include advertising, displaying vehicles, or soliciting bids on vehicles available for sale or lease with an option of purchase.

(b) The services in par. (a) do not include providing general advice or information to prospective buyers, sellers, lessors, or lessees on issues concerning the buying, selling, or leasing of motor vehicles, provided the information does not include representations of specific vehicles available for sale or lease with an option of purchase.

DEALER FACILITIES, RECORDS, AND LICENSES

(c) The services in par. (a) do not include a financial institution offering, negotiating, or consummating a motor vehicle loan.

(12) "Titled owner" means the person named as the owner on the face of the most recent certificate of title issued for the vehicle. The term does not include a person named in a reassignment of the title.

(13) "Used motor vehicle" has the same meaning as in s. Trans 137.03 (9).

(14) "Wholesaler" or "wholesale dealer" means a person, other than a licensed motor vehicle dealer or licensed motor vehicle auction dealer, who does any one of the following:

(a) Sells more than 5 used motor vehicles in any 12 month period to motor vehicle dealers, other wholesalers, motor vehicle auction dealers or salvage dealers;

(b) Purchases used motor vehicles at a motor vehicle auction dealer; or,

(c) Purchases used motor vehicles on behalf of motor vehicle dealers, unless the person buying the vehicles satisfies both the following conditions:

1. The person is employed by and receives compensation from one and only one dealer for services related to the sale or purchase of motor vehicles; and

2. The person conducts all financial transactions involving the sale or purchase of motor vehicles in the name of the employing dealer, under the dealer's supervision, and using the dealer's funds and financial accounts.

History: Cr. Register, July, 1981, No. 307, eff. 8-1-81; cr. (intro.), (1), (2), (4) to (6) and (8) to (14), return (1) and (2) to (3) and (7), Register, June, 1991, No. 426, eff. 7-1-91.

Trans 138.025 Motor vehicle dealer license required; exceptions. (1) DEALERS. Except as provided in sub. (2), any person engaging wholly or partly in the business of selling motor vehicles or exchanging, buying, leasing, providing services aiding the sale of motor vehicles, offering or attempting to negotiate a sale or exchange of an interest in motor vehicles, whether or not such vehicles are owned by such person, without first obtaining and maintaining a valid license under ss. 218.0101 to 218.0163, Stats.: violates s. 218.0113, Stats.

Note: Examples of motor vehicle dealers include businesses that sell vehicles from their own inventories, persons who sell vehicles on consignment, and "buying clubs" or others who negotiate terms of sale in behalf of consumers or dealers, such as a membership organization which arranges special discounts for its members with dealers. Arranging such discounts constitutes "offering or attempting to negotiate a sale or exchange of an interest in motor vehicles for compensation," which is part of the statutory definition of a dealer. "Compensation" includes increasing the value of membership or affiliation with a club or association.

(2) EXEMPTIONS. The following persons are not required to hold a motor vehicle dealer license and, except as provided in this subsection, are exempt from the provisions of this chapter and ss. 218.0101 to 218.0163, Stats.

(a) *Express statutory exclusions.* Any person described in s. 218.0101 (23) (b), Stats.

(b) *Limited private sales.* Any person who sells or who offers or attempts to negotiate a sale of 5 or fewer used motor vehicles during a 12 month period, provided that the vehicles are privately titled to that person.

(c) *Auxiliary business services.* A person who provides services to prospective sellers or buyers which aid the sale of motor vehicles if and only if the service provider's compensation is determined prior to, and is completely independent of, the sale of any motor vehicle.

Note: This exemption is primarily intended to allow advertising companies, newspapers, magazine publishers, property lessors, and others to provide their usual business services to dealers without having to be licensed as dealers themselves, even though their services or activities may encourage or facilitate vehicle sales.

(d) *Retail disposal of vehicles by business fleet owners.* A corporation, firm, association, partnership, or other business that sells its own used motor vehicles to retail buyers, provided that all

of the vehicles are privately titled to the seller; and that all the vehicle sales are incidental.

Note: This exemption allows fleet owners to sell off their surplus property to retail customers without getting a dealer license. It does not apply, however, to companies which lease, rent or manufacture motor vehicles since their vehicles are not privately titled.

(c) *Wholesale disposal of vehicles by business fleet owner.* A corporation, firm, association, partnership, or other business that sells its own used motor vehicles, provided that all sales are made to licensed motor vehicle, wholesaler, motor vehicle auction, or salvage dealers; and that all vehicle sales are incidental.

(f) *Exempt auction services.* A retail auctioneer in compliance with s. Trans 138.028.

(g) *Licensed wholesalers.* A wholesaler in compliance with s. Trans 138.027.

(h) *Licensed salespersons.* A motor vehicle salesperson licensed in accordance with s. 218.0114 (1), Stats., and acting within the scope of his or her employment with a licensed dealer.

History: Cr. Register, June, 1991, No. 426, eff. 7-1-91; corrections in (1), (2) (intro.), (a), and (h) made under s. 13.93(2m) (b) 7, Stats.

Trans 138.027 Wholesaler. (1) No person may act as a wholesaler in this state without a valid wholesaler license under ss. 218.0101 to 218.0163, Stats.

(2) A wholesaler may not sell motor vehicles to retail buyers.

(3) A wholesaler may not consign motor vehicles to a motor vehicle dealer.

(4) A wholesaler shall comply with ss. Trans 138.03 (5), 138.04 (1) (b) and (2), 138.06, 138.07 and this section, but is otherwise exempt from this chapter.

History: Cr. Register, June, 1991, No. 426, eff. 7-1-91; correction in (1) made under s. 13.93(2m) (b) 7, Stats.

Trans 138.028 Retail auctioneers; limited exemption. Notwithstanding s. Trans 138.025, a retail auctioneer selling motor vehicles may conduct business without a motor vehicle dealer license, provided the retail auctioneer meets all of the following requirements:

(1) None of the vehicles offered at auction are owned by a motor vehicle dealer, wholesaler, manufacturer, or other licensee under ch. 218, Stats.

(2) Each auction is clearly distinct in place and date and meets at least one of the following conditions:

(a) It includes only those vehicles owned by a single person, where person means an individual, household, association, firm, or corporation including its subsidiaries and divisions; or,

(b) The auction includes no more than 3 motor vehicles.

Note: For example, an auctioneer may not need a dealer license when the auction only involves vehicles owned by one individual, corporation, or other "person". If the auction includes vehicles owned by 2 or more persons, the auctioneer or auction company usually needs a dealer license. The only exception occurs in very small consignment auctions, where no more than 3 vehicles are offered for sale at a single auction.

(3) The auction is not conducted on the permanent business premises of any motor vehicle dealer, wholesaler, wholesale auction dealer, or other person licensed under ch. 218, Stats.

(4) The auctioneer does not hold regular or frequent auctions under the conditions described in this section at a single location. Frequent auctions at the same location include, though are not limited to, situations in which 3 or more vehicle auctions are conducted in the same place within 12 months.

History: Cr. Register, June, 1991, No. 426, eff. 7-1-91.

Trans 138.03 Dealer business facilities. (1) Business facilities required to be provided and maintained by motor vehicle dealers are:

(a) A permanent building wherein there are facilities for:

1. A business office to maintain the books, records, and files necessary to conduct business.

2. A minimum 12x 20 foot area accessible for automobile display, pre-sale preparation, or repair purposes. Motorcycle dealers

who do not also sell automobiles shall provide an area of sufficient size to display, prepare, or repair at least 3 units. Truck dealers who do not sell automobiles are exempt from the requirements of this subdivision.

3. A repair shop, or a service agreement with a nearby repair shop, where there are repair tools, repair equipment and personnel to service such vehicles. Any service agreement shall be on the form provided by the department.

(b) A vehicle display lot adjacent to the business office, unless all vehicles offered for sale are displayed within the business building.

(c) The business premises which provide all required facilities shall comply with local zoning, building code and permit requirements.

(2) A residence, tent, or temporary stand is not a sufficiently permanent business facility within the meaning of this section. As used in this section and s. 218.0116 (3), Stats., "residence" means the domicile of a person who is an employee or owner of the dealership licensed, or applying for a license, under ss. 218.0101 to 218.0163, Stats. "Residence" does not include a building either formerly used as a residence or used as a residence by persons having no interest in an existing dealership. A motor vehicle dealer licensed by the department prior to July 1, 1991 despite having the required business office or indoor display or repair area in his or her residence may continue to use those facilities so long as ownership of the business remains unchanged and his or her dealer license is renewed continuously on or after July 1, 1991.

(3) More than one motor vehicle dealer, wholesaler or other business may share a single permanent building.

(a) If a licensed motor vehicle dealer shares facilities with another motor vehicle dealer, wholesaler, or other business, each licensee shall:

1. Display a dealership sign which satisfies s. Trans 138.06.
2. Separate its own vehicle display lot from areas used by other licensees; and
3. With each license application, provide a copy of the lease agreement between the owner of the property and the dealer along with a diagram of the facilities for the designated location. If the dealer sublets the facilities from a lessee, that dealer shall provide a copy of the sublease and a copy of the lease authorizing the lessee to execute subleases.

(b) Each licensee sharing a permanent building with another licensee shall satisfy all the requirements of par. (a) within 1 year after July 1, 1991 or the license for each noncomplying dealership may be denied or suspended until the dealership facilities comply with this section.

(c) If the dealerships which share facilities also share majority ownership, they are exempt from the requirements of par. (a).

(4) The business premises which provide all required facilities shall comply with local zoning, building code and permit requirements.

(5) Motor vehicle wholesalers of used vehicles are subject to subs. (1) (a) 1., (b), and (3) and (4).

History: Cr. Register, May, 1966, No. 125, eff. 6-1-66; am. (1), r. and recr. (2), r. (3), Register, April, 1977, No. 256, eff. 5-1-77; renum. from MVD 13.01 and r. and recr. Register, July, 1981, No. 307, eff. 8-1-81; emerg. am. (1) (b), eff. 1-13-83; am. (1) (b), r. (2), renum. (3) to be (2), Register, October, 1984, No. 346, eff. 11-1-84; am. (1) (a) 1. and 2., cr. (2) and (3), renum. (1) (c) to be (4), renum. (2) to be (5) and am., Register, June, 1991, No. 426, eff. 7-1-91; corrections in (2) made under s. 13.93 (2m) (b) 7., Stats.

Trans 138.04 Records kept. The minimum of books and records required to be kept and maintained at the licensed business premises by motor vehicle dealers and used motor vehicle wholesalers under s. 218.0116 (3) and (5), Stats., shall include:

(1) Motor vehicle dealers:

(a) As evidence of ownership, title for each used vehicle owned and offered for sale and MSO for each new vehicle owned and offered for sale. If a manufacturer or lending institution is

holding the title or MSO to ensure payment at time of sale, the dealer shall have for each such vehicle either a factory invoice, a completed dealer reassignment form, or a purchase contract evidencing trade-in or purchase.

(b) Written consignment agreement between owner and dealer for each vehicle not owned by the dealer and offered for sale by the dealer. Consignments between motor vehicle dealers are prohibited. Nor may wholesalers consign vehicles to motor vehicle dealers. Each consignment agreement shall contain:

1. Date of consignment;
2. Name of consignor and consignee;
3. Description of vehicle including year, make and identification number, a description of the prior use of the vehicle and an odometer disclosure statement as specified in s. Trans 154.08(1). The odometer disclosure statement shall be separate from the rest of the consignment agreement;
4. Terms of agreement including duration of agreement, agreed upon minimum selling price at which the dealer is authorized to sell the vehicle for the consignee, the agreed disposition of any amount received for the vehicle above the minimum sales price, and the amount of the dealer's sales commission;
5. A statement by the owner that either the vehicle is clear of any liens, or identifying the lienholder and stating the amount of any outstanding lien balance;
6. Signatures by the vehicle owner and selling dealer; and
7. An agreement between the vehicle's owner and the dealer providing that the dealer will hold the title certificate for inspection by potential buyers during the period of consignment, that the title reassignment by the owner will not be signed until the vehicle is actually sold, and that if the vehicle is not sold during the duration of the consignment, the dealer will promptly return the title certificate to the owner along with the vehicle.

(c) Vehicle general condition disclosure statements, as required by s. Trans 139.04 (4).

(d) Odometer disclosure statement from prior owner and odometer disclosure statement to subsequent purchaser, as required by s. Trans 139.04 (7).

(e) Original or copy of motor vehicle purchase contracts, as required by s. Trans 139.05, purchase orders and invoices. Copy of MVI Wisconsin title and registration application forms completed for each vehicle purchaser as additional evidence of sale and information regarding collection of sales tax and Wisconsin title and registration fees, when applicable.

(f) 1. The following information shall be kept on every used vehicle, including executive and demonstrator vehicles, bought; sold, exchanged or consigned:

- a. Date of acquisition of the vehicle.
- b. Name and address of the person from whom the vehicle was acquired.
- c. The year, make and vehicle identification number, or VIN, of the vehicle.
- d. The date of the disposition of the vehicle.
- e. The name and address of the person to whom any vehicle was disposed.

2. Persons requiring a license who do not maintain their records in an electronic data processing record keeping system shall maintain the information required in subd. 1. in a permanently bound book containing consecutively pre-numbered pages with horizontal line ruling. Initial purchase entries shall be made immediately as each vehicle is acquired and sales information entered on the same line at subsequent time of sale. All entries shall be consecutively entered in ink and be legible. No blank horizontal lines shall be allowed. Vertical dividing lines shall be provided, and may be manually drawn, to divide the following information as shown:

Date Acquired	Acquired From Name & Address	Year- Make- VIN	Date Sold or Disposed of	Disposed of or Sold to Name & Address
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m shall main-

No. 426, eff. 7-1-91; am. (1) (b) 3., (d), (g) and (2), renum. (1) (f) to be (1) (f) 2., cr. (1) (f) 1. and 3. and (h). Register, January, 1996, No. 481, eff. 2-1-96, correction in (intro.) made under s. 13.93(2m) (b) 7., Stats.

Trans 138.05 Auction dealers. Motor vehicle wholesalc auction dealers shall:

(1) For each vehicle offered for sale, either require the consigning dealer deposit clear title or furnish title insurance at time of sale.

(2) Prominently display the selling dealer's name and address, and state in which the vehicle is titled, on each vehicle offered for sale, prior to each vehicle entering the auction sale building. Recommended methods are either affixing the information on the side window by grease pencil, or entering the information on a card plainly visible through either the windshield or side window.

(3) Retain a copy of a properly completed, signed wholesale auction dealer reassignment form for each vehicle sold with a non-conforming title as required under s. Trans 154.03 (3) (d) 3., and furnish 2 copies to the purchasing dealer and one copy to the selling dealer.

(4) For each motor vehicle sold at an auction sale, establish and maintain for 5 years those records as required under s. Trans 154.12 (3) as authorized under s. 342.157, Stats.

(5) Rescind the vehicle sale transaction if unable to furnish clear title to the purchasing dealer within 12 calendar days following date of sale, if so requested by the purchasing dealer.

(6) Required records shall be kept in the place of business during business hours and shall be open to inspection and copying by a representative of the department during reasonable business hours.

History: Cr. Register, April, 1977, No. 256, eff. 5-1-77; renum. from MVD 13.03 and am. Register, July, 1981, No. 307, eff. 8-1-81; am. (5). Register, June, 1991, No. 426, eff. 7-1-91; am. (3), r. and recr. (4), cr. (6), Register, January, 1996, No. 481, eff. 2-1-96.

Trans 138.06 Business signs. All motor vehicle dealers, motor vehicle wholesalers and motor vehicle wholesale auction dealers shall display the following signs:

(1) An exterior business sign in compliance with s. 100.18 (5), Stats. The sign shall state the name of the licensee, as shown on the department license and any other name under which the licensee does business as a motor vehicle dealer, wholesaler or auction dealer. The sign shall have lettering a minimum of 4 inches high, unless smaller dimensions are required in order to comply with a local zoning or sign ordinance.

(2) A sign posted on or adjacent to the entrance door describing the dealer's business hours.

History: Cr. Register, May, 1966, No. 125, eff. 6-1-66; renum. from MVD 13.03 and am. Register, April, 1977, No. 256, eff. 5-1-77; renum. from MVD 13.04, Register, July, 1981, No. 307, eff. 8-1-81; am. Register, October, 1984, No. 346, eff. 11-1-84; am. (intro.), cr. (1), (2), Register, June, 1991, No. 426, eff. 7-1-91.

Trans 138.07 Lease agreement. (1) Motor vehicle dealers and wholesalers shall furnish a copy of a signed lease agreement with the dealer license application whenever first applying for a license for a business location, unless the business property is owned by the dealership entity.

(2) Such lease agreement shall name the dealer applicant as lessee and shall contain the following items:

- (a) Names of parties to the agreement;
- (b) Consideration for lease agreement;
- (c) Description of business premises;
- (d) Terms of lease; and
- (e) Signatures of parties to the agreement.

History: Cr. Register, July, 1981, No. 307, eff. 8-1-81; am. (1), Register, October, 1984, No. 346, eff. 11-1-84; am. (1), Register, June, 1991, No. 426, eff. 7-1-91.

Trans 138.08 Temporary sales locations. A motor vehicle dealer shall be permitted to display and sell vehicles at a temporary site other than its licensed place of business, providing that:

(1) Each dealer furnishes the department with written notification of the sale at least 10 days in advance.

(2) The duration of each sale shall not exceed 10 days.

(3) A dealer may not participate in more than 6 sales during each licensing (calendar) year.

(4) Each participating dealer shall furnish each consumer a written notice of the 3-day "cooling off" rights pursuant to s. 423.203, Stats., (The Wisconsin Consumer Act).

History: Cr. Register, July, 1981, No. 307, eff. 61-81; am. (intro.), Register, October, 1984, No. 346, eff. 11-1-84.

Trans 138.09 Effect of suspension, denial, revocation or voluntary surrender of license. (1) SUSPENSION. (a) No motor vehicle dealer may sell, offer to sell, or buy vehicles while his or her license is suspended.

(b) A motor vehicle dealer also engaged in business activities on the same premises which do not require a license issued by the department, such as the sale of motor vehicle accessories or repair of motor vehicles, may continue to conduct this unlicensed business while his or her license is suspended. However, if such activities are conducted within the indoor facilities the dealer ordinarily uses to display motor vehicles offered for sale or lease with an option of purchase, then during the suspension all motor vehicles offered for sale or lease shall either be removed from those facilities or moved to a location in those facilities not accessible to consumers.

(c) No licensed salesperson may be present at the dealership during the period of suspension, without the written permission of the department. The department may not grant permission unless the particular conditions of the salesperson's employment require his or her presence to perform duties unrelated to the activities regulated by the department under ch. 218, Stats.

(2) **DENIAL.** (a) Except as provided in par. (b), no person whose application for an initial motor vehicle dealer license has been denied may do business as a motor vehicle dealer.

(b) If the applicant held a valid license in the previous license year, the applicant may continue to do business after his or her application has been denied, as authorized under s. 227.51 (2), Stats., provided the applicant meets all of the following requirements:

1. At the time of the license application, the applicant was a motor vehicle dealer whose motor vehicle dealer license had neither expired nor been revoked.

2. The applicant applied for an identical license for the same dealership and was denied.

3. The applicant requested a hearing to review the license denial within 30 days of the department's denial.

4. The applicant paid all fees required for issuance of dealer registration plates for the new licensing period.

5. The applicant satisfied all of the requirements of s. 227.51 (2), Stats.

(c) The department shall provide an applicant to whom par. (b) applies with dealer registration plates, salesperson licenses and a license for the dealership. The validity of all such licenses is conditional, pending the outcome of the review of the license denial. In the event the review by the division of hearings and appeals affirms the license denial, the dealer shall collect and surrender to the department all registration plates, salesperson licenses and the dealer license issued under this paragraph. Salesperson licenses shall be surrendered immediately. Registration plates and the dealer license shall be surrendered within 30 days.

(d) The department may, upon request, permit an existing motor vehicle dealer continuously licensed during the preceding

year, whose application for a license during the next license period is denied; up to 30 days to sell the motor vehicles in the dealer's possession at the time of the denial, provided:

1. The dealer agrees to observe all special conditions imposed by the department.

2. The dealer's request is received by the department within 7 days of the date when the denial takes place and includes a list of all motor vehicles in his or her possession, including the vehicle identification number of each vehicle.

3. The dealer physically possesses the title certificate for each vehicle to be offered for sale.

4. Unless par. (b) applies, a dealer whose license has been denied may not offer, sell or lease with an option of purchase any motor vehicles to retail buyers and may not buy any vehicles, or accept motor vehicle trade-ins or consignments, during the 30-day period.

5. The 30-day period begins on the date of the department's letter denying the license. However, if par. (b) applies, the 30-day period begins on the date of the order of the division of hearings and appeals affirming the department's denial of the license.

(3) **REVOCAION.** (a) Except as provided in par. (b), no person whose motor vehicle dealer license has been revoked may do business as a motor vehicle dealer after the effective date of the revocation.

(b) Unless prohibited by the order of revocation, the department may, upon request, allow a motor vehicle dealer whose license is revoked an extension period, up to 30 days beyond the otherwise effective date of the revocation, to sell the motor vehicles in the dealer's possession at the time of the revocation, provided:

1. The dealer agrees to observe all special conditions imposed by the department.

2. The dealer's request includes a list of all motor vehicles in his or her possession including the vehicle identification number of each.

3. The dealer physically possesses the title certificate for each vehicle to be offered for sale.

4. The request is made prior to the effective date of the revocation.

5. The dealer does not offer, sell or lease with an option to purchase motor vehicles to retail buyers and does not buy any vehicles or accept motor vehicle trade-ins or consignments.

(4) **VOLUNTARY SURRENDER.** The department may permit a motor vehicle dealer up to 30 days to sell motor vehicles in the dealer's possession at the time the dealer voluntarily surrenders his or her license, provided:

(a) The dealer agrees to observe all special conditions imposed by the department.

(b) The dealer provides the department a list of all motor vehicles in his or her possession, including their vehicle identification numbers, within 7 days of the date when the license is received by the department.

(c) The dealer physically possesses the title certificate for each vehicle to be offered for sale.

(d) The dealer does not offer, sell, or lease with an option to purchase vehicles to retail buyers and may not buy any vehicles, or accept motor vehicle trade-ins or consignments, during the 30-day period.

(e) The 30-day period begins on the date the department receives the license or the list of vehicles in the dealer's possession, whichever is later.

History: Cr. Register, June, 1991, No. 426, eff. 7-1-91; am. (2) (c) and (d) 5., Register, January, 1996, No. 481, eff. 2-1-96.

Motor vehicle wholesale auction dealer_____

License requirements

The motor vehicle wholesale auction dealer license allows a business to conduct wholesale auctions in which vehicles owned by licensed dealers are sold to other licensed dealers.

If your business will be a motor vehicle salvage pool, which auctions off salvage vehicles to licensed dealers, you will need a **motor vehicle wholesale dealer license** instead of the wholesale auction dealer license.

If your business will hold auctions in which you sell vehicles owned by someone other than licensed dealers, or in which you auction off vehicles to the general public, you may need a *retail* motor vehicle dealer license.

Auction dealer activities requiring a license

An auction company may need one of several motor vehicle business licenses based on who owns the vehicles it sells and who buys them. The following table describes auction company activities and the license required to do business.

Table 2 Auction dealer activities requiring a license

Auction activity	License required	Comments
Sell vehicles owned by dealers or other licensees to licensed dealers only.	Motor vehicle wholesale auction dealer license	<ul style="list-style-type: none">• No retail sales allowed.• Auction may be at a permanent location and time
Sell to the general public for one dealer exclusively	Motor vehicle salesperson license	<ul style="list-style-type: none">• May transfer license to another dealer at no charge.• May sell on the auctioneer's or dealer's business premises.• Must comply with all disclosure, purchase contract and registration and titling requirements.
Sell vehicles owned by <i>more than one</i> dealer or other licensees to the public	Motor vehicle retail dealer license	<ul style="list-style-type: none">• An auction company licensed as a motor vehicle dealer may consign and sell other dealers' vehicles.• May sell on the auctioneer's or dealer's business premises.• Must comply with all disclosure, purchase contract and registration and titling requirements
Sell vehicles for a person exempt from dealer licensing: <ul style="list-style-type: none">• Person acting under a court order• Finance company selling repossessed vehicles• Public officer performing public• Private person selling 5 or fewer per year of his own vehicles	No license required	Auction must meet these requirements: <ul style="list-style-type: none">• Not include vehicles owned by a dealer or other licensee.• Not include more than one person's vehicles <i>or</i> include no more than 3 vehicles.• No more than 3 auctions held per year at the same place.• Not conducted on the permanent business premises of any dealer or licensee.

Excerpt from the “Right Way Guide” for dealers. WisDOT Dealer Section, 2002

(used for transportation)		
Operate as a <i>motor vehicle salvage pool</i> . Sell damaged vehicles owned by insurance companies and dealers to licensed dealers only.	Wholesale dealer license	No retail sales allowed.

To qualify for a wholesale auction dealer license you must provide the following:

- An established place of business that complies with all local zoning and permit regulations.
- A \$25,000 surety bond. For a list of insurance companies accepting applications for bonds, see the appendix to this guide.
- A lease for the business real estate unless the license applicant owns it.
- Fees of \$100 paid to Registration Fee Trust for a two-year wholesale auction dealer license.

You can apply for a wholesale auction dealer license by mail or in person

You must complete several forms and provide additional documentation to apply for a wholesale auction dealer license. Application forms are available by phone at 608.266.1425 or by e-mail at dealers.dmv@dot.state.wi.us. Mail or deliver completed application materials to WisDOT Dealer Section at the address on the front of this guide.

WISCONSIN DEPARTMENT OF TRANSPORTATION

Wholesale auction dealer license

An auction company may need one of several motor vehicle business licenses based on who owns the vehicles it sells and who buys them.

The motor vehicle wholesale auction dealer license allows a business to conduct wholesale auctions in which vehicles owned by licensed dealers are sold to other licensed dealers.

If your business will be a motor vehicle salvage pool, which auctions off salvage vehicles to licensed dealers, you will need a Wholesale dealer license instead of the wholesale auction dealer license.

If your business will hold auctions in which you sell vehicles owned by someone other than licensed dealers, or in which you auction off vehicles to the general public, you may need a retail motor vehicle dealer license. For more information on retail auction activities and license requirements, see Auction activities.

To qualify you must provide:

- An established place of business that complies with all local zoning and permit regulations.
- A \$25,000 surety bond. For a list of insurance companies accepting applications for bonds, see Insurance companies that accept applications for bonds.
- A lease for the business real estate unless the license applicant owns it.
- Fees of \$100 paid to Registration Fee Trust for a two-year wholesale auction dealer license.

You can apply by mail or in person

You must complete several forms and provide additional documentation in order to apply for a wholesale auction dealer license. Many of the forms require your signature, or the signature of authorities and witnesses. Therefore, it is not possible currently to submit your wholesale auction dealer license application online. Instead, you must apply for your license either by mail or in person at Wisconsin Department of Transportation's (WisDOT) Dealer Section customer counter.

For more information or to request application materials for the motor vehicle wholesale auction license:

- Call: (608)266-1425
- FAX: (608)267-0323
- E-mail: dealers.dmv@dot.state.wi.us
- Write to the address below:

Wisconsin Department of Transportation
Dealer Section
4802 Sheboygan Avenue, Room 806
P.O. Box 7909
Madison, WI 53707-7909

WISCONSIN DEPARTMENT OF TRANSPORTATION

Motor vehicle auction activities

An auction company may need one of several motor vehicle business licenses based on who owns the vehicles it sells and who buys them. The following list describes auction company activities and the license required to do business.

If an auction:

- Sells vehicles owned by licensed dealers or manufacturers to other licensed dealers only. No retail sales. License required: Wholesale auction dealer license.
- Operates as a motor vehicle salvage pool which sells damaged vehicles owned by insurance companies and licensed dealers to licensed dealers only. License required: Wholesale dealer license
- Sells to the general public for one dealership exclusively a Salesperson license is required.
- Sells vehicles repossessed by finance companies to the general public—no license is required.
- Sells vehicles for one private person who is selling his or her own vehicles or for two or more private people who are selling no more than a total of three vehicles—no license is required.
- Sells vehicles for a business that is selling its own vehicles when those vehicles have been privately titled (used for transportation)—no license is required. (Note: the auction company cannot be selling for a business that leases, rents or manufactures vehicles.)

For more information about auction company activities and license requirements:

- Call: (608)266-1425
- FAX: (608)267-0323
- E-mail: dealers.dmv@dot.state.wi.us
- Write to the address below:

Wisconsin Department of Transportation
 Dealer Section
 4802 Sheboygan Avenue, Room 806
 P.O. Box 7909
 Madison, WI 53707-7909

**Bureau of Alcohol, Tobacco and Firearms
US Department of the Treasury
Title 18, U.S.C. Chapter 44**

Firearms

Section 921(a)(11)(A). Definitions

The term "dealer" means (A) any person engaged in the business of selling firearms at wholesale or retail, (B) any person engaged in the business of repairing firearms or of making or fitting special barrels, stocks, or trigger mechanisms to firearms, or (C) any person who is a pawnbroker. The term "licensed dealer" means any dealer who is licensed under the provisions of this chapter.

Section 921(a)(21)(C)

The term "engaged in the business" means - C) as applied to a dealer in firearms, as defined in section 921(a)(11)(A), a person who devotes time, attention, and labor to dealing in firearms as a regular course of trade or business with the principal objective of livelihood and profit through the repetitive purchase and resale of firearms, but such term shall not include a person who makes occasional sales, exchanges, or purchases of firearms for the enhancement of a personal collection or for a hobby, or who sells all or part of his personal collection of firearms;

Section 922(a)(1). Unlawful acts

It shall be unlawful - (1) for any person - (A) except a licensed importer, licensed manufacturer, or licensed dealer, to engage in the business of importing,, manufacturing, or dealing in firearms, or in the course of such business to ship, transport, or receive any firearm interstate or foreign commerce

(i) It shall be unlawful for any person to transport or ship in interstate or foreign commerce, any stolen firearms or stolen ammunition, knowing or having reasonable cause to believe that the firearm or ammunition was stolen.

(j) It shall be unlawful for any person to receive, possess, conceal, store, barter, sell, or dispose of any stolen firearm or stolen ammunition, or pledge or accept as security for a loan any stolen firearm or stolen ammunition, which is moving as, which is a part of, which constitutes, or which has been shipped or transported in, interstate or foreign commerce, either before or after it was stolen, knowing or having reasonable cause to believe that the firearm or ammunition was stolen.

Section 923(a). Licensing

No person shall engage in the business of importing, manufacturing, or dealing in firearms, or importing or manufacturing ammunition, until he has filed an application with and received a license to do so from the Secretary. The application shall be in such form and contain only that information necessary to determine eligibility for licensing as the Secretary shall by regulation prescribe and shall include a photograph and fingerprints of the applicant. Each applicant shall pay a fee for obtaining such a license, a separate fee being required for each place in which the applicant is to do business, as follows:

**18 U.S.C. SECTION 923(a): ENGAGING IN THE BUSINESS OF DEALING IN FIREARMS
(Auctioneers)**

Auctioneers who regularly conduct consignment-type auctions of firearms, for example, held every 1-2 months, on behalf of firearms owners where the auctioneer takes possession of the firearms pursuant to a consignment contract with the owner of the firearms giving the auctioneer authority to sell the firearms and providing for a commission to be paid by the owner upon sale of the firearms are required to obtain a license as a dealer in firearms.

An association of auctioneers has asked the Bureau of Alcohol, Tobacco and Firearms (ATF) for a ruling concerning the auctions conducted by their members and whether the sale of firearms at such auctions requires a Federal firearms license as a dealer in firearms.

The auctioneers' association stated that their members generally conduct two types of auctions: estate-type auctions and consignment auctions. In estate-type auctions, articles to be auctioned, including firearms, are sold by the executor of the estate of an individual. In these cases the firearms belong to and are possessed by the executor. The auctioneer acts as an agent of the executor and assists the executor in finding buyers for the firearms. The firearms are possessed by the estate and their sale to third parties is controlled by the estate. The auctioneer is paid a commission on the sale of each firearm by the estate at the conclusion of the auction.

The association states that, in consignment-type auctions, an auctioneer may take possession of firearms in advance of the auction. The firearms are inventoried, evaluated, and tagged for identification. The firearms belong to individuals or businesses who have entered into a consignment agreement with the auctioneer giving the auctioneer authority to sell the firearms. The agreement states that the auctioneer has the exclusive right to sell the items listed on the contract at a location, time, and date to be selected by the auctioneer. The agreement also provides for the payment of a commission by the owner to the auctioneer. The consignment-type auctions generally involve accepting firearms for auction from more than one owner. Also, these auctions are held on a regular basis, for example, every 1-2 months.

Section 923(a), Title 18, U.S.C., provides that no person shall engage in the business of dealing in firearms until he has filed an application and received a license to do so. Section 22(a)(1), Title 18, U.S.C., provides that it is unlawful for any person, other than a licensee, to engage in the business of dealing in firearms. Licensees generally may not conduct business away from their licensed premises.

The term "dealer" is defined at 18 U.S.C. Section 921(a)(11)(A) to include any person engaged in the business of selling firearms at wholesale or retail. The term "engaged in the business" as applied to a dealer in firearms means a person who devotes time, attention, and labor to dealing in firearms as a regular course of trade or business with the principal objective of livelihood and profit through the repetitive purchase and resale of firearms. A dealer can be "engaged in the business" without taking title to the firearms that are sold. However, the term does not include a person who makes occasional sales, exchanges, or purchases of firearms for the enhancement of a personal collection or for a hobby, or who sells all or part of his personal collection of firearms. 18 U.S.C. Section 921(a)(21)(C).

In the case of estate-type auctions, the auctioneer acts as an agent of the executor and assists the executor in finding buyers for the estate's firearms. The firearms are possessed by the estate, and the sales of firearms are made by the estate. In these cases, the auctioneer does not meet the definition of "engaging in the business" as a dealer in firearms and would not require a license. An auctioneer engaged in estate-type auctions, whether licensed or not, may perform this function, including delivery of the firearms, away from the business premises.

In the case of consignment-type auctions held on a regular basis, for example, every 1-2 months, where persons consign their firearms to the auctioneer for sale pursuant to an agreement as described above, the auctioneer would be "engaging in the business" and would require a license. The auctioneer would be disposing of firearms as a regular course of trade or business within the definition of a "dealer" under Section 921(a)(11)(A) and must comply with the licensing requirements of the law.

As previously stated, licensed auctioneers generally must engage in the business from their licensed premises. However, an auctioneer may conduct an auction at a location other than his licensed premises by displaying the firearms at the auction site, agreeing to the terms of sale of the firearms, then returning the firearms to the licensed premises for delivery to the purchaser.

Held: Persons who conduct estate-type auctions at which the auctioneer assists the estate in selling the estate's firearms, and the firearms are possessed and transferred by the estate, do not require a Federal firearms license.

Held further: Persons who regularly conduct consignment-type auctions, for example, held every 1-2 months, where the auctioneer takes possession of the firearms pursuant to a consignment contract giving the auctioneer the exclusive right and authority to sell the firearms at a location, time and date to be selected by the auctioneer and providing for a commission to be paid upon sale are required to obtain a license as a dealer in firearms pursuant to 18 U.S.C. Section 923(a).

Section 924. Penalties

(a)(1) Except as otherwise provided in this subsection, subsection (b), (c), or (f) of this section, or in section 929, whoever - (A) knowingly makes any false statement or representation with respect to the information required by this chapter to be kept in the records of a person licensed under this chapter or in applying for any license or exemption or relief from disability under the provisions of this chapter;

(B) knowingly violates subsection (a)(4), (f), (k), (r), (v), or (w) of section 922;

(C) knowingly imports or brings into the United States or any possession thereof any firearm or ammunition in violation of section 922(l); or

(D) willfully violates any other provision of this chapter, shall be fined under this title, imprisoned not more than five years, or both.

(2) Whoever knowingly violates subsection (a)(6), (d), (g), (h), (i), (j), or (o) of section 922 shall be fined as provided in this title, imprisoned not more than 10 years, or both.

(3) **Any** licensed dealer, licensed importer, licensed manufacturer, or licensed collector who knowingly - (A) makes any false statement or representation with respect to the information required by the provisions of this chapter to be kept in the records of a person licensed under this chapter, or

(B) violates subsection (m) of section 922, shall be fined under this title, imprisoned not more than one year, or both.

(4) Whoever violates section 922(q) shall be fined under this title, imprisoned for not more than 5 years, or both. Notwithstanding any other provision of law, the term of imprisonment imposed under this paragraph shall not run concurrently with any other term of imprisonment imposed under any other provision of law. Except for the authorization of a term of imprisonment of not more than 5 years made in this paragraph, for the purpose of any other law a violation of section 922(q) shall be deemed to be a misdemeanor.

(5) Whoever knowingly violates subsection (s) or (t) of section 922 shall be fined under this title, imprisoned for not more than 1 year, or both.

(6)(A) (i) A juvenile who violates section 922(x) shall be fined under this title, imprisoned not more than 1 year, or both, except that a juvenile described in clause (ii) shall be sentenced to probation on appropriate conditions and shall not be incarcerated unless the juvenile fails to comply with a condition of probation.

(ii) A juvenile is described in this clause if -

(I) the offense of which the juvenile is charged is possession of a handgun or ammunition in violation of section 922(x)(2); and

(II) the juvenile has not been convicted in any court of an offense (including an offense under section 922(x) or a similar State law, but not including any other offense consisting of conduct that if engaged in by an adult would not constitute an offense) or adjudicated as a juvenile delinquent for conduct that if engaged in by an adult would constitute an offense.

GENERAL QUESTIONS

AUCTIONEERS

Does an auctioneer who is involved in firearms sales need a dealers license?

Generally speaking, there are two types of auctions: estate-type auctions and consignment auctions. In estate-type auctions, the articles to be auctioned (including firearms) are being sold by the executor of the estate of an individual. In these cases the firearms belong to and are possessed by the executor. The auctioneer is acting as an agent of the executor and assisting the executor in finding buyers for the firearms. The firearms are controlled by the estate, and the sales of firearms are being made by the estate.

In these cases, the auctioneer does not meet the definition of engaging in business as a dealer in firearms and would not need a license. **An** auctioneer who has a license may perform this function away from his or her licensed premises.

In consignment-type auctions, an auctioneer often takes possession of firearms in advance of the auction. These firearms are generally inventoried, evaluated, and tagged for identification. The firearms belong to individuals who have entered into a consignment agreement with the auctioneer giving that auctioneer authority to sell the firearms. The auctioneer has possession and control of the firearms. Under these circumstances, an auctioneer would generally need a license. **An** auctioneer who buys firearms for purposes of resale will also need a license.

If a licensed auctioneer is making sales of firearms, where may those sales be made?

Firearms may be displayed at an auction site away from the auctioneer's licensed premises and sales of the firearms can be agreed upon at that location, but delivery may only be made to purchasers after the firearms have been returned to the auctioneer's licensed premises. The simultaneous sale and delivery of the auctioned firearms away from the licensed premises would violate the law, i. e., engaging in business at an unlicensed location. However, if the auctioneer is assisting an estate dispose of firearms, the estate is the seller of the firearms, and the estate is in control and possession of the firearms, the firearms would not have to be returned to the licensed premises prior to their delivery.

Title 27--Alcohol, Tobacco Products and Firearms

**CHAPTER I--BUREAU OF ALCOHOL, TOBACCO AND FIREARMS, DEPARTMENT OF
THE TREASURY**

PART 178--COMMERCE IN FIREARMS AND AMMUNITION

27 CFR - CHAPTER I - PART 178

§ 178.11 Meaning of terms.

Business premises. The property on which the manufacturing or importing of firearms or ammunition or the dealing in firearms is or will be conducted. A private dwelling, no part of which is open to the public, shall not be recognized as coming within the meaning of the term.

§ 178.41 General.

(b) Each person intending to engage in business as a firearms or ammunition importer or manufacturer, or dealer in firearms shall file an application, with the required fee (see § 178.42), with ATF in accordance with the instructions on the form (see § 178.44), and, pursuant to § 178.47, receive the license required for such business from the Chief, National Licensing Center. Except as provided in § 178.50, a license must be obtained for each business and each place **at** which the applicant is to do business. A license as an importer or manufacturer of firearms or ammunition, or a dealer in firearms shall, subject to the provisions of the Act and other applicable provisions of law, entitle the licensee to transport, ship, and receive firearms and ammunition covered by such license in interstate or foreign commerce and to engage in the business specified by the license, at the location described on the license, and for the period stated on the license. However, it shall not be necessary for a licensed importer or a licensed manufacturer to also obtain a dealer's license in order to engage in business on the licensed premises as a dealer in the same type of firearms authorized by the license to be imported or manufactured. Payment of the license fee as an importer or manufacturer of destructive devices, ammunition for destructive devices or armor piercing ammunition or as a dealer in destructive devices includes the privilege of importing or manufacturing firearms other than destructive devices and ammunition for other than destructive devices or ammunition other than armor piercing ammunition, or dealing in firearms other than destructive devices, as the case may be, by such a licensee at the licensed premises.

THIS DATA CURRENT AS OF THE FEDERAL REGISTER DATED NOVEMBER 8,2002

LICENSING OF AUCTIONS BY MUNICIPALITIES



State of Wisconsin

DEPARTMENT OF REGULATION AND LICENSING

C O R R E S P O N D E N C E / M E M O R A N D U M

DATE: May 6, 1994 **FILE REF:** AUB3.DOC

TO: Clete Hansen

FROM: Don Rittel

SUBJECT: Licensing of Auctions by Municipalities

ISSUES: You have asked whether municipalities retained the authority to regulate auctions after the repeal of Ch. 130, Stats., effective May 11, 1990; and if so, whether they may continue to do so after March 1, 1995, when state regulation of auctioneers by the Auctioneer Board goes into effect.

OPINION: In my opinion, the repeal of Ch. 130, Stats., did not divest municipalities of the authority to regulate auctioneers in light of the "Home Rule Amendment" contained in Article XI, Section 3 of the Wisconsin Constitution. However, municipalities may not continue to impose licensing or other requirements upon auctioneers which are inconsistent with the statewide regulation enacted pursuant to Ch. 480, Stats., beginning March 1, 1995.

DISCUSSION: 1993 Wisconsin Act 102 created Ch. 480 of the Wisconsin Statutes, mandating state licensure and regulation of auctioneers and auction companies effective March 1, 1995. Historically, auctions had been regulated locally by municipalities pursuant to Ch. 130, Stats. However, that provision was repealed by the Legislature effective May 11, 1990, by 1989 Wisconsin Act 336, §250op. Therefore, from May 11, 1990 to March 1, 1995, there will have been no *statute* specifically addressing the regulation of auctioneers at either the local or state level.

Your memo states: "...it appears that, absent any provision located elsewhere in the statutes which grants to municipalities the authority to license auction events or auctioneers, municipalities should have stopped licensing them after May 11, 1990."

If municipalities derived their regulatory authority solely from statutory enactments of the legislature (similar to the situation with this agency and the Auctioneer's Board), the above

assumption would be correct. However, municipalities are not dependent upon the legislature for all of their powers; but rather, derive independent regulatory authority under the Wisconsin Constitution.

Article XI, Section 3 of the Wisconsin Constitution (known as the "Home Rule Amendment" in case law) states, in part:

"Municipal home rule . . . Cities and villages organized pursuant to state laws may determine their local affairs and government, subject only to this constitution and to such enactments of the legislature of statewide concern as with uniformity shall affect every city or every village. The method of such determination shall be prescribed by the legislature."

There are a multitude of Wisconsin Supreme Court decisions which discuss the constitutional authority of a municipality to exercise its constitutional power over "local affairs" in light of the legislature's ability under the same constitutional provision to limit that power. Simply stated for our purposes, the cases boil down to the general proposition that a municipality may reasonably regulate any area of interest to the locality, unless the state has preempted the area through enacting legislation to require its regulation by the state, itself; or has statutorily directed municipalities regarding the specific manner in which the municipalities could regulate them. See, e.g., *Anchor Savings & Loan Ass'n v. Madison* EOC, 120 Wis. 2d 391 (1984), for a synopsis of some of the leading cases.

Accordingly, Chapter 130, can be viewed as a valid exercise of the legislature's authority to mandate that municipalities regulate auctions in a uniform manner, to the extent municipalities chose to regulate them. For example, Sec. 130.06(1), Stats., provided that ordinances could be adopted to require that persons conducting auctions be licensed by the municipality, detailed the information required on the license application, and provided for specific licensing fees and bonding requirements.

In the absence of any state legislation, the conduct of auctions within a community would be a legitimate matter of "local affairs" which could be reasonably regulated by municipalities.' Accordingly, when Chapter 130 was repealed, effective May 11, 1990, the effect was not to deprive municipalities of their underlying authority granted by the Wisconsin Constitution to regulate auctions as a matter of local concern; but rather, removed the state "uniformity" requirements of such local regulation which the legislature had previously chosen to impose.

Therefore, it is my opinion that between May 11, 1990 and March 1, 1995 (the day state regulation of the area begins), municipalities may regulate auctions as a matter of determining their local affairs under the authority vested in them by the Home Rule Amendment contained in Article XI, §3 of the Wisconsin Constitution.

¹The fact that municipalities are no longer required to regulate auctions in conformity with the dictates of repealed Ch. 130, Stats., does not mean they are not subject to other legal restrictions. For example, municipal regulations **must** be "reasonable", in **that** the amount of license fees levied, or bond required, may not be so exorbitant **as** to essentially prohibit auctions from being conducted. See; 51 Am Jur 2d, Licenses and Permits, §39, pp. 46-7.

This will not be the case beginning March 1, 1995, however, when state regulation of auctioneering legally commences. As stated within the Home Rule Amendment, the regulatory authority of municipalities is subject to the legislature's power to determine uniform requirements in areas of statewide concern. Consistent with that authority, whereas the legislature previously took the approach of promoting uniformity through *local* enforcement under the Chapter 130, Stats., the creation of the Auctioneer Board by 1993 Wisconsin Act 102 is a clear pronouncement that subsequent regulation of auctioneers shall be the responsibility of the *state*, commencing March 1, 1995.

Case law indicates that regulation and control by the state under statutes which establish a comprehensive and all-encompassing scheme regarding the practices affected, serves to preempt any local regulation which conflicts with the general comprehensive policy established under the state. See, *Anchor Savings & Loan Ass'n*, *supra*. Chapter 480, Stats., is clearly such a "comprehensive and all-encompassing" scheme of regulation. It addresses the licensing of auctioneers and auction companies, the amount of licensing fees, licensing examinations and continuing education, the specific conduct of auctions, the keeping and maintenance of records, trust accounts, advertisements, provides for the possible establishment of a consumer protection fund, and the creation of a code of professional conduct and formal state disciplinary process. In my opinion, the scope of the regulatory system created within Ch. 480, Stats., is such that it clearly demonstrates the intent of the legislature to preempt local regulation of the area.

CONCLUSION: Accordingly, it is my opinion that municipalities may not regulate auctioneers after March 1, 1995, but may do so prior to that date.

LIVESTOCK AUCTIONS

The Board's legal counsel prepared the following legal opinions in 1996.

QUESTION #1: Is a livestock market operator licensed under sec. 95.68, Stats., who conducts auctions only of livestock at the facility, also required to be registered as an auctioneer under Ch. 480, Stats?

OPINION: No.

REASONING:

1. Persons conducting auctions within the scope of a license granted by another state agency are not required to be registered as an auctioneer. (sec. 480.02(2)(j), Stats.)
2. A livestock market operator is required to obtain a license issued by the Department of Agriculture, Trade and Consumer Protection (DATCP). The license authorizes its operator to maintain a facility "open to the public for the purpose of trading in livestock". (sec. 95.68(1)(e), Stats.)
3. A livestock dealer may also engage in the "business of buying for resale or for slaughter, selling or exchanging livestock" under the DATCP license. (sec. 95.69(1)(c) and sec. 95.69(2), Stats.)
4. To the extent that the livestock market operator limits its auction sales activities to conducting an auction respecting the sale of livestock at the livestock market, an auctioneer's registration is not required.

QUESTION #2: Is a livestock market operator licensed under sec. 95.68, Stats., who auctions goods in addition to livestock, such as machinery, farm equipment, hay, etc., also required to be registered as an auctioneer under Ch. 480, Stats?

OPINION: Yes.

REASONING:

1. The exemption from registration as an auctioneer extends only to practice within the scope of the DATCP license. (sec. 480.02(2)(j), Stats.)
2. Although a livestock market license is required by DATCP for the trading of livestock, that license is not required for the auction of machinery, farm equipment, hay or other goods. Therefore, the auction of goods other than livestock at the facility falls outside the scope of DATCP" license. (sec. 95.68(1)(e), Stats.)
3. Since the auction of goods other than livestock is beyond the scope of DATCP's license, the livestock market operator loses the exemption provided under sec. 480.02(2)(j), Stats., and must obtain **an** additional registration as an auctioneer.
4. Accordingly, in order for a livestock market operator to auction both livestock and other goods at a livestock market, DATCP's license is required for the livestock, and additional registration as **an** auctioneer is required to auction the other goods.

QUESTION #3: Do the responses above apply similarly to livestock dealers licensed under sec. 95.69, Stats., who conduct farm auctions?

OPINION: Yes.

REASONING:

1. A livestock dealer's license is generally required by DATCP for anyone who "as a principal or agent, engages in the business of buying for resale or for slaughter, selling or exchanging livestock." (sec. 95.69(1)(c), Stats.)
2. A livestock market operator's license is also required if the person auctions livestock owned by farmers other than the farmer at whose farm the auction is held (i.e., a "consignment" auction). (sec. 95.69(1)(c)3.a., Stats.)
3. Therefore, two criteria must be met in order to be practicing within the scope of the livestock dealer" license in farm auctions, so as not to be required to also possess registration as an auctioneer: (1) The auction must consist of livestock AND, (2) Some of the livestock at the auction must have been provided by consignment by another farmer or farmers.
4. If the farm auction includes goods in addition to consigned livestock, such as machinery, farm equipment or hay, the sale is beyond the scope of a livestock dealer's license. Accordingly, registration as an auctioneer is necessary, in addition to the livestock dealer's license.
5. If the farm auction includes only the livestock of the farmer at whose farm the auction is being conducted, a livestock dealer's license is not required. However, registration as an auctioneer is necessary.

CONCLUSIONS:

1. A licensed livestock market operator is not required to also be registered as an auctioneer if only livestock is auctioned at the livestock facility.
2. A licensed livestock market operator who conducts an auction at the livestock facility is required to also be registered as an auctioneer if goods in addition to livestock are auctioned at the livestock facility.
3. A licensed livestock market operator is not required to also be registered **as** an auctioneer if he or she conducts a farm auction consisting only of livestock and some of the livestock is owned by farmers other than that at whose farm the auction is conducted.
4. A licensed livestock dealer is required to also be registered as an auctioneer if he or she conducts a farm auction at which goods in addition to livestock are auctioned.
5. A livestock dealer license is not required for a farm auction at which the only livestock auctioned is owned by the farmer at whose farm the auction is conducted. However, registration as an auctioneer is required.

EDITOR'S NOTE:

In addition to the above, please carefully read sec. 95.69, Stats., which defines "livestock dealer" and lists the exceptions to this term. See the Table of Contents for the location of sec. 95.69, Stats., in this booklet.

INSURANCE AND BONDING

Statutes and administrative rules enforced by the Wisconsin Auctioneer Board and the Department of Regulation and Licensing do not require auctioneers and auction companies to obtain liability insurance or bonding. Some other states do have one or other type of requirement.

Nevertheless, the broad issue of insurance is an important consideration. **An** auctioneer or auction company should weigh the cost of coverage against the risks that are to be protected against. Some coverage may be required by law, some may be essential and some may be advisable or nice to have if you can afford it.

Worker's compensation is a matter of estate law. Generally, all employees and independent contractors must be included. If you have any questions about worker's compensation, you may call the Department of Work Force Development at (608) 266-1340.

Liability insurance may provide coverage for automobile liability, for injuries to clients or customers on your premises, and other coverage for other things like records and equipment.

Errors and omissions insurance is a form of insurance that covers liabilities for errors, mistakes and negligence in your work as an auctioneer or auction company. It does not cover fraudulent behavior. It protects you and your staff against claims. Errors and omissions policies are typically written on a "claims-made" basis where the insured is covered only if the claim is made during the period of the policy.

If you have any questions about liability insurance or errors and omissions insurance, you should discuss them with your insurance agent.

DIRECTORY OF OTHER AGENCIES

1. Secondhand Article Dealer - Municipal Clerk
(after February 28, 1995 registered auctioneer is exempt from this license)
2. Secondhand Jewelry Dealer - Municipal Clerk
(after February 28, 1995 registered auctioneer is exempt from this license)
3. Fur Auctions and Fur Auctioneers - Wisconsin Department of Natural Resources,
125 S. Webster, Madison, WI 53702. Telephone: (608) 266-2105
4. Motor Vehicle Auctions - Wisconsin Department of Transportation, 4802 Sheboygan
Avenue, Madison, WI 53707. Telephone: (608) 266-1425
5. Livestock Dealers', Truckers', and Market Licenses - Wisconsin Department of
Agriculture, Trade and Consumer Protection, 310N. Midvale Avenue, Madison,
WI 53705. Telephone: (608) 224-4889
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INDEX

TO THE WISCONSIN STATUTES AND ADMINISTRATIVE RULES REPRINTED IN THIS BOOKLET

References are to statutes sections or administrative rules. Administrative rules citations begin with the prefix "ATCP", "TAX", "TRANS" & "RL"

SUBJECT	SECTION	SUBJECT	SECTION
Address change	440.11	Registrant	480.01(6); RL 120.02(9)
Administrative injunctions	RL 3	Reprimand	440.01(e)
Administrative law judge	RL 2.10; RL 3.09	Respondent	RL 2.03(9); RL 3.03(6)
Administrative warnings	RL 8	Revoke	440.01(f)
Advertisements of auctions	480.20	Settlement conference	RL 2.03(10)
Advertising	RL 123	Shill	RL 120.02(10)
Animal movement, selling	ATCP 11	State registration number	RL 120.02(11)
Application procedures	RL 4; RL 121	Suspend	440.01(h)
Auction dealer's license	218.31	Trade name	RL 120.02(12)
Alcohol beverages, license and permit exceptions	125.06	Denial of credential	RL 1; RL 121.05
Completed applications	RL 4.03(2)	Department, general duties & powers	440.03
Delay	RL 4.03(3)	Commencement	RL 2.04
Fees	RL 4.04	Parties	RL 2.037
Refunds	RL 4.06	Pleadings to be captioned	RL 2.05
Test review fee	RL 4.05	Proceedings and actions	440.03; 440.20
Time limits	RL 4.03(1)	Disciplinary proceedings	440.20; 480.24
Assessment of costs of proceedings	440.22; RL 2.18	Commencement of	RL 2.04
Auction consumer protection fund	480.22	Parties	RL 2.037
Auctioneer Board	480	Pleadings to be captioned	RL 2.05
Authority and definitions	RL 120	Discovery	RL 2.13; RL 3.12
Board member appointments	15.405(11)	Display of credential	440.03(8)
Board member selection	15.07(1)	Disputes	440.045
Bonds	440.02	Duplicate credential	440.05(7)
Bulk transfer - uniform commercial code -	406	Duties of the Secretary	440.04
Cancellation of credential	440.23(4)	Educational program	RL 128
Change of address	440.11	Enforcement of laws	440.21
Change of name	RL 121.06	Examination standards and services	440.07; RL 4
Complaint	RL 2.06	Examinations	440.07; 480.10; RL 122
Service and filing	RL 2.08	Fees, standard	440.05; RL 4.04
Conduct	RL 126	Proctoring for other states	RL 4.04(5)
Contracts, written	RL 124	Reexamination	440.06; RL 4.04(4)
Costs assessment	440.22	Refund fees	440.06; RL 4.06
Councils, examining	15.407	Standards and services	440.07; RL 4
Dealer facilities, records and licenses	TRANS 138	Examining board	15.08
Default	RL 2.14; RL 3.13	Creation	15.405(7)
Definitions		Duties, general	440.035
Absolute auction	RL 120.02(1)	Meetings	15.08(3)(a)
Auction	480.01(1)	Members	15.08(1)
Auction company	480.01(2)	Officers, selection of	15.08(2)
Auction company representative	480.01(3)	Quorum	15.08(4)
Auction with reserve	RL 120.02(2)	Failure and reexamination	440.06
Auctioneer	480.01(4)	Farm equipment, sales of	100.47
Board	480.01(5); RL 120.02(3)	Fees, standard	440.05; RL 4
Buyer's fee or surcharge	RL 120.02(4)	Fur dealers regulated	29.501
Complainant	RL 2.03(1);	General Sales and Use Tax	77.51
Complaint	RL 2.03(2)	Hazardous substances act	100.37
Consignor	RL 120.02(5)	Hearing; notice; transcription fees; conduct	RL 2.07; RL 2.15; RL 2.17; RL 3.06; RL 3.14
Department	RL 120.02(6)	Impaired professional procedures	RL 7
Disciplinary authority	RL 2.02(4)	Informal complaints, receiving	RL 2.035
Disciplinary proceeding	RL 2.02(5)	Initial registration	RL 121.02
Division	RL 2.03(6); RL 3.03(4)	Judicial review of disciplinary decision	440.25
Examining board	15.01(7); 440.02(2)(c)	License	
False bid	RL 120.02(7)	Duplicate	440.05(7)
Grant	440.01(b)	Wall certificate, display	440.03(7)(8)
Informal complaint	RL 2.03(7)	License fees	440.05
Issue	440.01(c)	Licensing of auctions by municipalities	RL legal
Licensee	RL 2.03(8)	Licensure and supervision of employees	RL 17
Limit	440.01(d)	Livestock dealers	95.69
Minimum bid	RL 120.02(8)	Livestock auctions	RL legal
Petition	RL 3.03(5)	Livestock markets	95.68
Reciprocal credential	440.01(2)(d)		

SUBJECT	SECTION	SUBJECT	SECTION
Maintenance of records by auctioneers	480.18; RL 125	Revocation of license	440.01(f)
Motor vehicle auction activities	TRANS	Sales and use tax, general	77.51; TAX 11.50
Motor vehicle auction dealers to be licensed	218	Sale by auction	402
Motor vehicle wholesale auction dealer	TRANS	Secondhand article and jewelry dealers	134.71
Name change	440.11;	Secretary, duties	440.04
	RL 121.06	Settlements; conferences; procedure	RL 2.036; RL 2.12;
Pawnbrokers	134.71		RL 3.11
Penalties	480.26	Summary suspensions	RL 6
Pleadings and hearings, procedure	RL 2	Suspend credential	440.01(h)
Pleadings to be captioned	RL 3.04	Temporary registration	RL 121.025
Prehearing conference	RL 2.11; RL 3.10	Trade name, use of	RL 121.07
Real estate, sale of at auction	RL 127	Transcription fees	RL 2.17; RL 3.16
Reciprocal credential	440.01(2)(d);	Trust accounts	480.16
	480.12	Uniform commercial code –bulk transfer	406
Records maintenance	RL 125	Unlicensed practice, penalties	440.21
Reexaminations	440.06	Wholesale auction dealers license	TRANS
Refunds	440.06; RL 4.06	Witness fees and costs	RL 2.16; RL 3.15
Reinstatement of credential	440.23(5)	Written contracts	RL 124
Renewal of licenses	440.08; RL 121.04		